DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIII, No. 41 Section 1 November 17, 1926.

THE ST. LOUIS MEETING

An Associated Press dispatch from St. Louis to the press to-day says: "The soft drawl of the South and the harsher twang of the North resounded from the same platform in pledges of fraternity in a common cause yesterday when farmer organization leaders of twelve States equally divided met for the first time to formulate a permanent agricultural policy. After a day of oratory, during which no new plan for remedial action was put forward, but in which the condition of the southern cotton planter and rice grower was declared to be at least on a parity with that of farmers of the middle-western grain belt in the need of relief, a committee was named to outline a statement of principles to be laid before Congress.

"Frank O. Lowden, former Governor of Illinois, stressed the value of cooperative marketing, but insisted he was not favoring 'any particular remedy.' 'I say only there is a farm problem of the gravest importance and that a solution must be found if we would preserve our civilization,' declared Mr. Lowden. Cooperative marketing might have saved the southern cotton growers from their present predicament, when an overproduction has tumbled prices, he said. Thaddeus Caraway, United States Senator from Arkansas, placed responsibility for agriculture's backward position upon the doorstep of 'Government favoritism.' Dr. B. W. Kilgore, of Raleigh, N. C., chairman of the board of the American Cotton Growers' Exchange, termed cooperative marketing and proper legislation for handling farm surpluses the two things that could bring relief 'to our too greatly distressed farming industry.' He appealed for cooperation between the grain farmers of the North Central States and the southern cotton planters.....

"The registration disclosed that eighty members of duly organized farmer bodies were in the meeting, and all were named upon the committee to draft a statement of principles. The committee met behind closed doors last night. These States were represented: Arkansas, Tennessee, Texas, Iowa, Illinois, North Carolina, Louisiana, Nebraska, Ohio, Michigan, Indiana and Missouri. An analysis of the cotton committee appointed by President Coolidge, under chairmanship of Eugene Meyer, was made by Abe D. Waldauer, of Memphis, attorney for the Tennessee Cotton Growers' Cooperative Association. He assailed the Meyer plan as indefinite....."

EXPORT DEBENTURE PLAN

A Portland, Me., dispatch to the press to-day says: "The National Grange last night adopted a resolution calling on Congress to enact legislation providing for an export debenture plan for the benefit of the American farmer. The measure was passed after a three-hour discussion, in which delegates from twenty-seven of the principal agricultural States took part, with only one dissenting vote. Louis J. Taber, National Master of the grange, described the resolution as the 'most important measure passed by the grange in twenty-five years.' He said the grange believed the plan offered 'the most advantages with the least dangers; that it required no machinery for operation and could be discontinued as easily as a tariff.'"

Section 2

Breadstuffs

An editorial in The Wall Street Journal for November 16 says: "Private estimates are to the effect that the wheat crop of Australia will give an exportable surplus of 100,000,000 bushels, and that of Argentine 140,000,000. As Argentina carried over some grain of a poor quality, the apparent exportable surplus of the Southern Hemisphere approximates 250,000,000 bushels. If nothing happens to the harvest of those countries, this surplus should have considerable effect upon the market price of wheat in the United States and Canada. Europe's surplus of wheat and rye is even less than was expected in the summer. Without counting Russia, the European production of wheat and rye is at least 200,000,000 bushels less than in 1925. It is not to be assumed that the European demand will be increased correspondingly. But as stocks of breadstuffs were small a year ago, it is a fair inference that the demand for wheat will be somewhat larger. But what Europe lost in production, the exporting countries of the Northern Hemisphere gained. The total production of all countries of the Northern Hemisphere, exclusive of Russia and China, is estimated by our Department of Agriculture at 2,947,000,000 bushels of wheat, against 2,933,000,000 in 1925. The supply of wheat, therefore, in the North shows practically no change over a year ago, the only difference being in the distribution. The importing countries have less, and the exporting countries have more. Importing countries of Europe and the rest of the world took about 619,000,000 bushels of wheat in the preceding season. As Europe alone has 200,000,000 bushels less of breadstuffs, compared with a year ago, it is a fair inference that world import needs will approximate 700,000,000 this year. North America is able to supply over 500,000,000 bushels of this amount. But as the Southern Hemisphere crop season begins on January 1, it would be to the advantage of the North to ship a large percentage of its surplus before that time. As the European stocks are low, there has been a desire to build them up at a time when the Northern Hemisphere had such a large supply of wheat, but forward buying seems to be checked at the present time. This is due in no small measure to the freight rate situation. Most of the wheat going out now is under charterings made some time ago when rates were more favorable. The present situation discourages heavy buying for future shipments. Europe is taking its daily needs of wheat, but not much more. Evidently there will be no building up of supplies while the present situation exists, and every week's delay brings us nearer to the time when the North American markets will meet with competition from the South."

Creamery Industry

An editorial in The Dairy Record for November 3 says: "Never was the greatness of the creamery industry more forcibly illustrated than at the recent Dairy Industries Exposition held at Detroit. A million dollars worth of machinery and supplies representing the latest development in manufacturing equipment were on display, but they were seen by mighty few creamerymen. Milk dealers and ice cream manufacturers were out in force and staged meetings which drew attendance from all over the country. The dry milk manufacturers, too, were on hand. But the butter industry, an industry which uses approximately 36% of all the milk produced in the country, which counts its annual income in hundreds of millions of dollars, and with a machinery investment of $75,000,000, was so poorly represented that any one not intimately

acquainted with the dairy business could well have concluded that it was a negligible factor.....The manufacturers are at fault because they have, for the most part, failed to note the change which has come about in the creamery industry during the past few years.....What is the situation? A little study of production figures for the past five years will tell a story which may startle some of those who have not kept as closely in touch with the trend of the times as they should have. Those figures will tell them that the trend of production is away from the very large central plant and toward a factory which is neither very large nor very small. That study will show them that the local creamery is growing very rapidly, and that the cooperative type of factory is enjoying great prosperity, while the smaller centralizer is hard put to make ends meet. The figures will show, also, that there is a very definite trend in butter production toward the States which have always been regarded as being more or less local creamery territory. Minnesota, Iowa and Wisconsin, alone, are to-day manufacturing more than one-third of all the butter produced in the United States. States located east of the Mississippi River, which were once large manufacturers of butter, are passing, slowly but surely from the picture.....But the fault is not the manufacturer's solely. The creamery industry is divided and only sectionally organized. There is no common organization for an interchange of opinion and for taking united action upon matters which concern the whole creamery industry....."

Farmer's Turnover

The Pennsylvania Farmer for November 6 says: "One of the factors which puts the farmer at a disadvantage when comparing farming with other lines of business is the slowness of his turnover. Except in some instances in market gardening, only one crop per year is obtained from the land, hence the one crop must bear the overhead and other expenses for a whole year. In the raising of livestock the case is even worse, the time being from one to three years before any returns on investment are received. Of course, farmers know all this, but men in other business who reinvest their money two to five times in a year and make a profit each time, will do well to think this over when criticizing the farmer for not being able to produce a larger annual income."

Prices

A slight decline in the general level of wholesale prices from September to October is shown by information collected in representative markets by the Bureau of Labor Statistics of the Department of Labor. The bureau's weighted index number, which includes 404 commodities or price series, registered 149.7 for October compared with 150.5 for the month before, a decline of one-half of 1 per cent. Compared with October, 1925, with an index number of 157.6, there was a decrease of 5 per cent. Farm products in general were 1 per cent lower than in September, due mainly to declines in prices of cotton and cottonseed, onions, and potatoes. Corn prices also averaged lower than in the month before, while other grains, hogs, eggs, hides, tobacco, and wool were higher. Clothing materials, owing to the drop in cotton goods and raw silk, were 2 per cent cheaper than in September. In all other groups also, except foods and fuels, prices were slightly below those of the preceding month. Foods showed no change in the general price level, while fuels were 1-1/3 per cent higher.

Production Restriction

"In the industrial field manufacturers have long been in the habit of reducing production when the output of their factories could not be sold at a profit. From applying this remedy individually they have learned to apply it collectively when they can do so without violating the laws against conspiracy in restraint of trade. But it is only of late years that it has been applied to agriculture, and the most conspicuous example of its application in this field are: 1. The Burley tobacco pool in Kentucky, 2. The Stevenson plan for controlling the export of rubber from the British plantations in the East Indies, and 3. The restriction of sugar production in Cuba last year. We think it will be conceded that the good accomplished in each of these three cases has far exceeded any hardship caused by the advance in price that has followed the very moderate reduction effected in the supply. The tobacco growers, the rubber companies and the Cuban sugar planters were all face to face with ruinous conditions that probably would have crippled their productive power permanently. From this situation they were rescued by enforced curtailment and they will hereafter be able to increase production as may be necessary." (Theo. H. Price in Commerce and Finance, Nov. 10.)

Students and Farming

An editorial in The New York Times for November 15 says: "Montaville Flowers of California has made a survey of the high school boys and girls of five States, and deduces from his figures that students of that age contemplate almost any other occupation after leaving school than farm work or the ministry. ...Yet to judge from the statements of these children that in a short time our farming population will be reduced to the extent indicated seems hasty. ...Adolescents, tasting for the first time the comparative freedom offered by the high school, are often day-dreaming of the wonders they are going to accomplish after school days are over. If they are ambitious, their imagination leads them to pinnacles of fame and fortune such as they have never been able to visualize in the everyday surroundings of home. ...Another point makes the inferences from this survey questionable. The States selected for the inquiry were California, Pennsylvania, New Jersey, Delaware and Maryland. Results tabulated from a group in which New England, the South and the Middle West are unrepresented should not be taken as characteristic of the whole country. In such States as Indiana, where school gardening and farming are done by boys and girls of the elementary grades, and where a strong interest is felt in the scientific agricultural work of the universities, a similar canvass might yield different conclusions. Great changes have taken place everywhere in agricultural production, and others are constantly being planned to make farm work and farm life more attractive. But the need of greatly speeding up the process simply because the youngsters of five States think they prefer city jobs cannot be so pressing as this particular educator thinks." (Mr. Flower's original statement was quoted in Daily Digest for November 15.)

Waterways

The Associated Press November 16 reports: "Counsel for seven States seeking to curb Chicago's drainage diversions from Lake Michigan completed the main structure of their case November 15 with testimony, before Charles E. Hughes, Special Master for the Supreme Court, in support of the contention that higher transportation costs, caused by lower water levels in the Great Lakes system, impose a burden on the entire Nation. ...Henry R. Trumbower, Professor of Economics at the University of Wis-

consin, submitted exhibits showing that 85 per cent of all United States iron ore production and approximately 700,000,000 bushels of wheat moved annually in the Great Lakes traffic. The wide distribution of these basic commodities, the complaints contend, spreads the burden of lake transportation costs over the entire Nation and constitutes a competitive factor in foreign trade. They hold that lower lake levels, charged to Chicago diversion, prevent maximum cargo loadings, result in freight differentials to certain shallow channels and increase harbor and dock maintenance costs...."

Section 3
MARKET QUOTATIONS

Farm Products

Nov. 16: New York sacked Round White potatoes $2.65 to $2.75 per 100 pounds in the East; $2.40 to $2.55 f.o.b. Rochester. Wisconsin sacked Round Whites $2.25 to $2.45 carlot sales in Chicago. New York Danish type cabbage $20 to $25 bulk per ton in eastern terminal markets. New York Rhode Island Greening apples $2.75 to $3 per barrel in New York City; $2.90 to $3 f.o.b. Rochester. New York yellow onions $1.75 to $1.90 sacked per 100 pounds in eastern markets; few $1.40 fo.b. Rochester. Virginia yellow sweet potatoes ranged $1.50 to $2.25 in consuming centers. Tennessee Nancy Halls 90¢ to $1.25 per bushel hamper in the Middle West.

Chicago hog prices closed at $11.75 for the top, bulk of sales $11.15 to $11.60. Beef steers (1100-1500 lbs.) choice $10.25 to $12.25, good $9.35 to $11.60; heifers, good and choice $7 to $11.50; common and medium $5.75 to $8.25. Cows, good and choice, $5.75 to $7.25; low cutter and cutter $3.75 to $4.75. Vealers, medium to choice, $10 to $12.25; heavy calves, medium to choice $6 to $8.50. Fat lambs (light and handyweight) medium to choice $11.50 to $13.40; yearling wethers, medium to choice, $8.75 to $11.50; fat ewes, common to choice, $4 to $6.50; feeding lambs, medium to choice, $11.25 to $13.25.

Grain prices quoted November 16: No. 1 dark northern Minneapolis $1.38 to $1.42. No. 2 red winter St. Louis $1.35. No. 3 yellow corn Minneapolis 73¢; St. Louis 70¢. No. 3 white oats Minneapolis 41¢; St. Louis 44¢.

Average price of Middling spot cotton in 10 designated spot markets unchanged at 12.25¢ per lb. December future contracts on the New York Cotton Exchange declined 1 point, closing at 12.55¢, and on the New Orleans Cotton Exchange they declined 2 points, closing at 12.57¢. (Prepared by Bu. of Agr. Econ.).

Industrials and Railroads

Average closing price	Nov. 16,	Nov. 15,	Nov. 16, 1925
20 Industrials	156.63	155.00	153.11
20 R.R. stocks	118.81	118.80	106.62

(Wall St. Jour., Nov. 17.)

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DAILY DIGEST

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Vol. XXIII, No. 42 Section 1 November 18, 1926.

THE ST.LOUIS MEETING

An Associated Press dispatch from St.Louis to-day says: "Early legislation to 'enable the farmers to control and manage excess supplies of crops at their own expense so as to secure cost of production with a reasonable profit,' was demanded of Congress in a declaration of principles adopted at the closing session at St.Louis yesterday of the Corn and Cotton States conference. 'We assert our conviction,' the statement says, 'that such legislation must function through and foster cooperative marketing.' Outstanding points of the declaration are: Indorsement of the Federal farm board plan sponsored by Frank O. Lowden, former Governor of Illinois, a plan similar in principle to the McNary-Haugen bill of last winter, to create a board with power to withhold surpluses and prorate the cost among the producers. Criticism of both political parties in Congress for failure in the past to provide adequate farm relief. A demand for immediate reduction in tariff duties on such basic materials as aluminum, steel and chemicals, which duties, it is charged, 'afford shelter for price-fixing monopolies.'

"A suggestion for Congressional investigation of certain phases of agrarian legislation, particularly 'the interrelationships which appear to give industrial advisers, interested as dealers and speculators, a deciding voice in the enactment and administration of agricultural legislation.' A demand for a permanent program for cotton, and criticism of the plan of the President's cotton commission, to withdraw 4,000,000 surplus bales from the market as 'inequitable' and a 'temporary expedient.' A defense of the 'bloc system' in Congress and a request that Senators and Representatives from agricultural regions 'organize themselves into an aggressive and effective unit, regardless of party, to express and work for the economic interests of agriculture.'

"Senator-elect Smith W. Brookhart, of Iowa, spoke briefly at the round table discussion to-day assuring the delegates they were wise in not indorsing any specific farm relief bill. He declared a Federal farm board with a minimum fund of $1,500,000,000 and power to purchase and withhold surplus crops would insure the farmer's cost of production and a 5 per cent profit."

NEW ORLEANS COTTON STORAGE

A New Orleans Associated Press dispatch to-day says: "No official embargo has been placed upon the movement of cotton into New Orleans, but the situation is serious and railroads, shipping agencies and all affiliated interests have been called upon to cooperate in alleviating conditions. Thus was the state of affairs summarized yesterday by Edmond Gueydan, chairman of a Committee of the Spot Cotton Merchants' Association and the New Orleans Cotton Exchange, which has been coordinating the cotton interests in an attempt to solve the problem of handling the tremendous influx of cotton resulting from the South's bumper crop. His statement to The Associated Press followed the publication yesterday of a story by The New Orleans States that an embargo upon the movement of cotton into New Orleans was in effect. 'We have arranged for space for 150,000 bales,' Mr. Gueydan said. 'When that space is filled, we do not know what will be done...!It is estimated that approximately 600,000 bales of cotton are now in New Orleans warehouses."

Section 2

Abandoned Farm Reclamation

The Associated Press November 17 reported: "Unoccupied and abandoned lands in the South are to be reclaimed through settlement. Plans for the reclamation were made November 16 at a meeting of several southern Senators with Secretary Work, railway officials and settlement experts of the South. Fifteen thousand dollars is to be spent during the present fiscal year in an investigation of development of unsettled southern lands. Congress has authorized the expenditure of $100,000 for this purpose. Six typical areas are to be studied with the view of developing a comparative and definite Federal policy to be reported to Congress. The tracts range in size from 10,000 to 30,000 acres. Market facilities, crop potentialities and availability will be among the features considered by the commission."

Argentine Wool Exports

The Argentine wool exports of the 1926-27 season are expected to amount to between 305,000 and 310,000 bales, according to a report to the Department of Commerce from Buenos Aires. The slaughter of sheep in the present year has been about 1,000,000 less than usual and mortality among the flocks has not been more than normal, these factors partly accounting for the increase in wool for export.

Bank Failures

An editorial in American Bankers Association Journal for November says: "Mismanagement--not agricultural depression--is the cause of nearly all of the bank failures of the past six years, according to Mr. Hazlewood, who presents a searching study of the factors contributing to bank disasters. Remedy lies in increasing the extent and intelligence of bank supervision and in the more general adoption of the clearing house examiner system on the part of banks, he states. More diversified loans and better secondary reserves are important on the program for better banking."

Conservation

"Whether we call it economic necessity, growing pains or seeing beyond the near horizon, the fact remains that the interior or inland districts are now in open revolt against the lethargy shown by the Federal Congress toward the larger economic problems of the country," according to Walter Parker, executive vice president of the National Flood Prevention and River Regulation Commission, vice president of the Mississippi Valley Association and president of the Lakes to Gulf Highway Association. "The farm bloc so frequently referred to is really not a farm bloc at all, but a number of independent groups of manufacturers, shippers, producers and people generally throughout the Mississippi Valley who have found it necessary to fight for their economic freedom and who have come together, subconsciously perhaps, but nevertheless effectively seeking a common goal. That goal is the use of the water resources of the Nation for beneficial purposes, in place of waste as destructive floods. The carrying out of such a policy, according to the leaders throughout the valley, will mean the control of flood run-off, the conservation and use of now wasted water for irrigation in aid of agriculture, for power in aid of industry, for streamflow regulation in aid of navigation, for flood control in aid of general development, and for the checking of soil erosion, out of which will come a solution of several pressing problems of larger importance...."(From bulletin issued by Fenner and Beane, New Orleans.)

Cotton Buying Plan — A South Bend, Ind., dispatch to the press of November 16 states that as a contribution toward the Government's effort to stabilize business conditions in the South, which have been upset by a 4,000,000-bale overproduction of cotton, the Studebaker Corporation of America, through its president, A. R. Erskine, has announced it plans to buy one bale of cotton for every Studebaker car sold in the Cotton Belt during November and December.

Cotton Market — A Memphis dispatch to the press of November 17 says: "The outstanding feature of the cotton situation in the South at the moment is the excellent demand for strict low middling and higher grades of all lengths of staple. There appears to be growing realization that despite the record breaking yield of the current season the supply of these descriptions is relatively small as compared with the quantity wanted. In any event spinners and export interests are good buyers, Moreover, there is an active demand from merchants, partly against forward commitments made some time ago on a lower basis and partly for stock. Some of the larger spot firms are accumulating such grades as rapidly as possible on the theory that with the relative shortage of these types there is strong probability that there will be a further substantial appreciation in basis...."

Cotton Study — The agricultural commission of the American Bankers Association will meet in Chicago Dec. 1 and 2 to consider permanent solution of the cotton problem, methods for combating the ravages of the corn borer and other questions important to the agricultural life of the country, according to an announcement November 16 by Burton M. Smith, president of the Bank of North Lake, Wis., and chairman of the commission.

Farm Workers — Pennsylvania Farmer for November 6 states that the National Farm School at Doylestown, Pa., will graduate a class of boys from a three-year course in February who will be available as farm hands. They are being trained so that they have no mistaken notions about the fact that they are expected to take up actual farm work for a time in order to get the practical experience necessary to complete their agricultural education. Of course, they will expect to receive wages commensurate with the work required of them.

Flour Weights — An editorial in The Northwestern Miller for November 10 says: "While the proposal made at the recent Federation meeting that the basis of flour sales be changed from per barrel to per pound offers interesting possibilities, it is unlikely that so epochal a change can be brought about at this time. It is true that millers of durum wheat found little difficulty in changing to the pound basis, but they are few in number and certain conditions in the trade made adoption of the new basis fairly easy. Bread wheat flour milling is a much larger and more widely scattered industry, with several thousand millers and several hundred thousand distributors to be reckoned with. Furthermore, the decimal weight bill, long pending in Congress without organized opposition, is now presumably in favorable position for passage, if not at the approaching short session at least at the next regular session. This bill, by making 100 pounds instead of 196 pounds the standard unit of flour measurement, will in large part accomplish

all that could be accomplished by the much more difficult and complicated change to per pound basis. It, at least, is within the possibility of early attainment, while adoption of the pound unit would require an organization and educational campaign much more ambitious than milling has yet shown its ability to effect in its own interest.... From the point of view of advantage to milling, the item of greatest importance in any change of weight basis is its effect upon cost computations. In reckoning costs per barrel certain factors of safety have come to be so well established that they now are able to withstand the most severe price competition. What will become of these factors when the industry undertakes to change its whole system of computing costs? Will they be maintained, or perhaps increased? Or will adoption of a new weight basis result in confusion and in the ultimate discovery that the industry had exchanged the substance for the shadow? Sale of flour on per pound basis may properly and profitably be discussed as an ideal to be sometime realized. The more immediate objective is the enactment of the decimal weight bill and, even more important, to build up a system of cost reckoning and sales methods which will preserve all of the commercial values of the per barrel basis. A mere change in unit will accomplish nothing for milling. It is the method of interpreting the change in accounting and sales procedure which will determine its merit or lack of merit."

Fur Nomenclature

An Associated Press dispatch from New York November 17 says: "Discard of fanciful trade names used to describe furs in favor of more accurate designation of the pelts was forecast November 16 when the National Association of the Fur Industry approved recommendations from the Better Business Bureau. Furs of nonexistent mammals such as Hudson seal, Arctic seal, Baltic seal, Aleutian seal, Nutria and Mendoze beaver, which are all forms of dyed muskrat or rabbit, will in the future, if plans made are carried out, be designated simply as seal-dyed rabbit or seal-dyed muskrat."

Jews in Agriculture

The Washington Post November 16 reports: "In direct opposition to the cityward trend of rural peoples all over the world, the Jew is turning more and more to the soil as a means of livelihood, Mrs. Elmer Eckhouse, Newark, N.J., in charge of the department of farm and rural work, told delegates attending the triennial convention of the National Council of Jewish Women November 15 at Washington. There now are 20,000 Jewish farmers in the United States, and they till more than 1,000,000 acres of land, it was disclosed. With the members of their families they comprise a population of 25,000. These farmers are congregated for the most part near the large cities, Mrs. Eckhouse said....."

Production and Prices

An editorial in Hoard's Dairyman for November 10 says: "It is a well established fact in the production of dairy products that when the prices for them become good there is an increased production. Many instances could be pointed out to substantiate this statement. It has been stated that when the price of corn is low there is an increased production of that crop. The reason given for the increase is that more corn is produced in order to secure the same income at the lower prices. There may be instances where the production of corn has been increased when prices were low but, to us, it is ridiculous to hold that low prices stimulated increased production. We can not

see what there is to be accomplished toward agricultural improvement for any one to hold that when the prices of agricultural products are low, there is a tendency to produce more of them. We know this is not true in the production of dairy products, for we have made a close study of this industry for more than fifty years. Moreover, we do not believe it is true of any other branch of agriculture."

Section 3
MARKET QUOTATIONS

Farm Products

Nov. 17: Potatoes generally ranged 10¢ to 35¢ lower. Maine sacked Green Mountains $2.75 to $3.15 per 100 pounds in eastern markets. New York Round Whites $2.65 to $2.75 in Baltimore; $2.55 f.o.b. Rochester. Virginia yellow sweet potatoes practically unchanged at $1.50 to $2.75 per barrel in terminal markets. Cabbage markets show prices nearly steady but with a slightly weaker undertone. New York Rhode Island Greening apples slightly lower in New York City at $2.75 to $3 per barrel. New York and Michigan Baldwins steady at $3.25 to $3.50 in Chicago.

Chicago hog prices closed at $11.75 for the top; bulk of sales $11.15 to $11.60; beef steers are somewhat lower, heifers ranged from 50¢ lower on the lower classes to 25¢ higher on the better gradds; cows show a slight improvement in price over a week ago, vealers gained 50¢ on the lower grades but lost a quarter on the better kinds. Heavy calves and stocker and feeder steers are practically steady with a week ago. Fat lambs declined $1; yearling wethers $1 to $1.25, fat ewes 50 to 75¢ and feeding lambs 25 to 50¢ for the week.

Closing prices on 92 score butter: New York 51¢; Philadelphia 52¢; Boston 49¢.

Grain prices quoted Nov. 17: No.2 red winter St.Louis $1.36. No.2 hard winter Chicago $1.35; Kansas City $1.33. No.2 mixed corn Chicago 71¢. No.2 yellow corn Chicago 72¢; Kansas City 76¢. No.3 yellow corn Chicago 71¢; St.Louis 70¢; Minneapolis 73¢. No.3 white corn St.Louis 69¢. No.3 white oats Chicago 42¢; St.Louis 44¢; Minneapolis 41¢; Kansas City 44¢.

Average price of Middling spot cotton in 10 designated markets advanced 11 points, closing at 12.36¢ per lb. December future contracts on the New York Cotton Exchange advanced 11 points, closing at 12.66¢, and on the New Orleans Cotton Exchange they advanced 13 points, closing at 12.70¢. (Prepared by Bu. of Agr. Econ.).

Industrials and Railroads

Average closing price	Nov. 17,	Nov. 16,	Nov. 17, 1925
20 Industrials	155.15	156.53	153.48
20 R.R. stocks	118.81	118.81	106.63

(Wall St. Jour., Nov. 18.)

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DAILY DIGEST

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Vol. XXIII, No. 43 Section 1 November 19, 1926.

MEREDITH PRESENTS SURPLUS PLAN

The New York Times to-day reports: "A governmental commission to fix guaranteed prices to the farmer for six major crops--wheat, corn, cotton, wool, butter and sugar--was advocated by former Secretary of Agriculture Edwin T. Meredith in the course of an address last night at the one hundred and fifty-eighth annual dinner of the Chamber of Commerce of the State of New York....Former Secretary Meredith said any plan to eliminate crop surpluses ought to bring about an articulation of the laws of supply and demand and 'the law of incentive,' so that there would be 'a production in accordance with demand.' He declared a careful study had convinced him that price determined production, and it was the price at the planting season which caused farmers either to enlarge or decrease their acreage. 'The real problem, then, is not to handle the surplus, but to work out an agricultural policy which will eliminate the surplus and give us a balanced production,' said Mr. Meredith. 'My proposal is that a commission composed of the Secretary of Agriculture, Secretary of Commerce and the Secretary of Labor and four additional men to be named by the President, with the consent of the Senate, be created and charged with the duty of naming minimum prices to be guaranteed to the farmer on six major crops produced during the ensuing year. The commission is not to buy any crop nor any portion of a crop until one year after harvest, and then only the surplus not absorbed either in our domestic or export trade, at the price bid."

ALABAMA FINANCES COTTON

A Mobile, Ala., dispatch to the press to-day states that money is now available for withdrawing 300,000 bales of the 1926 Alabama cotton crop from the market. Under plans worked out by bankers and other interests, cotton growers have the opportunity to store their bales in approved warehouses and borrow up to 9 cents a pound, middling basis, on the receipts. The report says: "The corporation to handle the financing of the 300,000 bales, if that many are offered by the farmers, is now organized, with Oscar Wells, president of the First National Bank of Birmingham and recent president of the American Bankers' Association, as its head and other leading bankers of the State on the list of officers. The capital stock of $1,000,000 has been oversubscribed by $200,000. The corporation can borrow up to $10,000,000 from the Federal Farm Loan Banks, thus enabling it to finance 25 per cent of the State crop."

FARM AIDS

The press to-day reports: "More attention to home markets, reduction in production costs and less cultivation of crops likely to have a surplus were urged last night as the solution of the agricultural problem by C. G. Williams, president of the American Society of Agronomy, in session at Washington. The society honored five of its members with fellowships for distinguished work in the field of agronomy. They were Burt L. Hamilton, of Rhode Island; H.H. Love, of New York; C. G. Williams, of Ohio; Emil Truog, of Wisconsin, and Charles A. Mooers, of Tennessee. New officers elected were Dr. W. L. Burlison, of Illinois, president, and W. W. Burr, of Nebraska, fourth vice president."

Section 2

British Production Problems

An editorial in The Field (London) for November 4 says: "Certainly it is sound national economy for public institutions in agricultural districts to buy their supplies locally rather than from overseas. Agricultural Britain can not pretend to supply all the requirements of the industrial centers, but there are ample supplies for local needs. In Parliament a fuss has been made because the safety razors now to be supplied to Army recruits are not made by a firm which is wholly British, but little is heard of the desirability of feeding the services on home-grown produce. The public is urged to buy British goods, but home garrisons are being supplied with imported meat and army horses are being fed on imported oats. The reports of the Imperial Economic Committee were discussed in the Field recently in a leading article, and here, as in other official pronouncements, there is no lack of lip service to the ideal of giving the home farmer the first place on the British market and the Dominion producer the second place, but, as yet, there are few signs of any such discrimination being used by Government departments in their purchases. Farmers themselves have made some efforts to make known the merits of home produce. The 'Drink More Milk' campaign seemed to be doing excellent work for the home dairy industry by increasing the consumption of fresh milk, but now, on some unexplained account, the National Farmers' Union has advised its milk-producing members to withdraw their subscriptions. This decision is much to be regretted, for the future prosperity of the whole dairy industry--producers and distributors--depends upon increased consumption by the public....It is very necessary that home supplies should be coordinated and graded to compete favorably with imported supplies in market value; but the consumer also must be induced to play his part by the exercise of intelligent discrimination."

Business Psychology and Cotton

Theo. H. Price, in his weekly review in Commerce and Finance for November 17, says: "Contemplating the recovery that has taken place since November 1918 it must be admitted that there is much to justify this new philosophy of optimism, and the week's record indicates that it has been embraced by many. Perhaps the most impressive evidence of its acceptance is to be found in the stability of the cotton market, where prices yielded hardly at all upon a Government estimate which put the prospective crop at nearly 18,000,000 bales. When one thinks what effect such an estimate would have had fourteen years ago the change that has taken place in the interval may be partially realized. The triumph of psychology over fact that it connotes is chiefly due to the publicity that was given to cotton and it is a lesson in the value of advertising that every business man should heed and lay to heart."

Cotton Commission Criticism

"Farm 'Gestures' New Style" is the title of an editorial in The Journal of Commerce for November 16, which says in part: "A good many years ago, before the Federal Reserve system was organized, and, of course, before the Farm Loan system was thought of, it used to be the style for Secretaries of the Treasury to try their hands at 'relieving' the farmer. Almost every Secretary thought it essential to have a farm relief plan, but there was a general family resemblance between these schemes, the basic principle in most of them being the furnishing of funds through the deposit of public money in banks in

the communities to be relieved. The banks were then in duty bound to relend the cash to farmers at nominal rates, though they usually did so for a short time only. They later made their profit by transferring the cash to the stock market and getting what they could out of it. The cotton emergency in the South has given an opportunity for our present Government to show what it can do in the way of relief through the new style of finance. President Coolidge's commission, specially charged with the duty of helping out the cotton situation, has developed a plan for 'cotton withdrawal' which has involved making 'eligible' notes, to be drawn by corporations created for the purpose of carrying and withholding cotton....A well known farm cooperator now describes the plan in unsympathetic language as a 'mere gesture,' one which, moreover, will tend to 'help dealers and speculators exploit the farmer.' The basis for this unfeeling comment is unquestionably sound and is furnished by the circumstance that there is no way in which the farmer can be relieved of the cotton burden which he himself has created. Merely withdrawing cotton from the market will not help if the farmer goes on producing, while if he abstains from production he simply foregoes the earnings he would otherwise make from raising new cotton next year. In this case he pays the expense of his own 'relief,' and in any event he must, of course, pay the interest on the money which is required to 'carry' the withdrawn cotton. Even those southern cotton authorities who are praising the Government's project are now inclined to do so on the ground merely that it is 'checking further depression in prices.' Their argument on this score has apparently nothing to support it. What has checked the depression in prices is merely the fact that foreign buyers have entered the market in large numbers and that a good many domestic mills have also elected to increase their stocks on hand while values are low....If it should prove that the Government's cotton financing plan, nevertheless, turns out to be what is technically called a success in the sense that a great deal of cotton is financed under it and the notes transferred to the Federal Reserve system, such success could only be regarded as the worst sort of disaster for the country as a whole. Neither the intermediate credit banks nor the Reserve banks are the proper places in which to discount notes that are made for the speculative carrying of any kind of farm products and to ask them to furnish funds on such a basis is to pervert their purpose wholly from its original lines and into new channels for which there is no economic justification. Both the intermediate credit banks and the Reserve banks have all they can do at the present time with their own work. It is well that some of the cooperative authorities have had the courage to tell their clients the real truth about this meretricious scheme."

Cotton Consumption

An editorial in The Wall Street Journal for November 18 says: "A Census Bureau report of domestic consumption of lint cotton in October proved to be a bearish surprise to the market. On account of the low price, a consumption of above 600,000 bales seemed to be the minimum expected. The report showed 568,532 bales consumed, against 571,105 in September and 544,097 in October, 1925. While the figures of October consumption were disappointingly small, they need not be taken as an indication that the low price will not ultimately stimulate consumption....It is to be remembered that the October consumption was for the first full month in which the price prevailed below

12 cents a pound on the farm. Compared with the price prevailing now, cotton is much cheaper than wool or silk, relatively speaking. It is cheap enough to induce people to use more of cotton goods than they did when it was above 20 cents. It is so cheap as to find favor with any reasonable consumer, domestic or foreign. And as the spinnable cotton runs more than usual below the basic grade, the actual cost is really less than appears in the quoted price. But the one thing staring the market in the face to-day is the fact that one month, and that not one entirely of low prices, did not show a great increase in consumption. There are still nine months of the crop year to come with prices now below the pre-war average. If the United States could consume 6,450,987 bales of lint last year at an average price of almost 20 cents a pound, it should be able to use considerably more at the low prices now prevailing."

Diversification Difficulties

An editorial in The Journal of Commerce for November 18 says: "Dispatches from Washington report officials there as greatly impressed with the practical difficulties of crop diversification in the Cotton Belt. It is easy enough, they assert, to advise the farmer to raise more of other crops and less cotton, but it is not nearly so easy to show him just how this can be done profitably or, for that matter, at all in the existing circumstances. To what shall he turn, they ask. Wheat? Well that would require machinery that the farmer has not got, and elevator and other facilities that are not now in existence, and the financial standing of the farmer and the communities in general is hardly such as to make it easy to find funds for such purposes. The same, they seem to think, is true no matter whether it be wheat or some other crop to which the farmer turns. Of course, it is not easy for cotton producers to alter their regular practices. It must be said, however, that a rather surprising lack of understanding of the needs of the situation seems to be revealed in a good deal that is being said on the subject. No one is suggesting that the southern farmer abandon cotton as his 'money crop,' and turn to wheat or anything else as a substitute. What is suggested by those who are best situated to be sound advisers on the subject is that the farmer in the Cotton Belt undertake regularly to raise more of his own provisions, more corn perhaps to feed himself, his family and his stock without having to import it, more feed crops to carry cattle for his own butter and milk, and more of sundry other crops for similar purposes. This obviously does not entail the capital expenditures that would be involved in turning wholesale to other crops for general market purposes."

Food Prices

The retail food index issued by the Bureau of Labor Statistics of the United States Department of Labor shows for October 15, 1926, an increase of a little less than one per cent since September 15, 1926; a decrease of one per cent since October 15, 1925; and an increase of a little more than fifty-four per cent since October 15, 1913. The index number (1913 = 100.0) was 161.6 in October, 1925; 158.5 in September, 1926; and 160.0 in October, 1926. During the month from September 15, 1926, to October 15, 1926, 11 articles on which monthly prices were secured increased as follows: Strictly fresh eggs, 13 per cent; oranges, 10 per cent; butter, canned tomatoes, and granulated sugar, 3 per cent; cheese, 2 per cent; plate beef and bananas, 1 per cent; and chuck roast, pork chops, and tea,

less than five-tenths of 1 per cent. Nineteen articles decreased: Onions, 6 per cent; cabbage, 5 per cent; canned red salmon, 4 per cent; potatoes, 3 per cent; leg of lamb, lard, and flour, 2 per cent; sirloin steak, round steak, ham, hens, evaporated milk, vegetable lard substitute, rice, canned corn, and prunes, 1 per cent; and rib roast, bacon, and coffee, less than five-tenths of 1 per cent. The following twelve articles showed no change: Fresh milk, oleomargarine, bread, corn meal, rolled oats, corn flakes, wheat cereal, macaroni, navy beans, baked beans, canned peas, and raisins.

Section 3
MARKET QUOTATIONS

Farm Products

Nov. 18: Maine sacked Green Mountain potatoes closed at $2.65 to $3.15 per 100 pounds. New York Round Whites mostly $2.65 in eastern markets; $2.35 to $2.50 f.o.b. Rochester. New York Baldwin apples $3 to $3.25 per barrel in New York City; few sales $2.50 to $2.60 f.o.b. Rochester. New York Danish type cabbage ranged $15 to $25 bulk per ton in terminal markets; $15 to $16 f.o.b. Rochester. New York yellow onions sold at $1.60 to $1.90 sacked per 100 pounds in eastern cities; $1.35 to $1.40 f.o.b. Rochester.

Chicago hog prices closed at $11.65 for the top, bulk of sales at $11 to $11.60; beef steers range from steady to lower, heifers are lower on the lower grades but slightly higher on better classes, cows lost price ground and vealers are slightly off. Heavy calves and stocker and feeder steers are steady with last week. Fat lambs are 50 to 60¢ lower, yearling wethers 50¢; fat ewes 50 to 75¢ and feeding lambs 25 to 35¢ lower than a week ago.

Closing prices on 92 score butter: New York 51 1/2¢; Chicago 49¢; Philadelphia 52 1/2¢; Boston 49¢.

Average price of Middling spot cotton in 10 designated markets declined 4 points, closing at 12.35¢ per lb. December future contracts on the New York Cotton Exchange declined 3 points, closing at 12.63¢ and on the New Orleans Cotton Exchange they declined 6 points, closing at 12.64¢.

Grain prices quoted November 18: No.1 dark northern Minneapolis $1.38 to $1.42. No.2 red winter St.Louis $1.37. No.2 hard winter Kansas City $1.33 to $1.37. No.2 yellow corn 75¢; No.3 yellow corn Chicago 74¢; Minneapolis 74¢; St.Louis 73¢. No. 3 white oats Chicago 42¢; Minneapolis 41¢; St.Louis 44¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Nov. 18,	Nov. 17,	Nov. 18, 1925
20 Industrials	154.51	155.15	150.35
20 R.R. stocks	118.53	118.81	105.70

(Wall St. Jour., Nov. 19.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIII, No. 44 Section 1 November 20, 1926.

THE SECRETARY'S ORDER ON STOCK-YARD RATES

The Associated Press to-day says: "Acting for the first time under specific authority vested in him under the Packers and Stockyards act, passed five years ago, Secretary of Agriculture Jardine decided yesterday that commission rates charged in the Omaha stockyards were excessive and ordered sixty-eight commission merchants to lower their rates in the face of a demand for increases. The Secretary's decision, which was characterized by counsel for the commission men as 'so drastic that it will put every commission man in Omaha out of business,' asserted that the respondents were 'acting through their exchanges to exercise a monopoly and to fix rates arbitrarily.' Widespread interest in the order was manifested because of its effect on the livestock industry.

"J.S. Boyd of Chicago, representing the commission merchants, intimated that an appeal from the decision would be taken. He said that while his clients had asked an increase of $60,000 a year, or approximately 60 cents a car on the 100,000 cars that enter Omaha annually, the reductions ordered would reach $400,000. A new schedule of rates outlined by the Secretary will go into effect on Jan.1." (Here follow the rates). The report continues: "Mr. Jardine's decision touched on the right of an individual to contract for work or labor and said that in this case the services were personal services, 'in the rendition of which the value of property used is relatively small.' Mr. Boyd, on the other hand, said the case involved the 'evaluation of intelligence, which can not be classified or standardized, as the department is attempting to do.' He added: 'If the department can fix a maximum wage, it can also make a minimum wage, and then, because a bricklayer uses brick in one State made in another, it can regulate his wage if it follows the theory on which this case was argued. I believe that the Agricultural Department is wrongfully depriving the commission men of their freedom to contract for work and labor.'...."

THE GRANGE ON FARM RELIEF

The Associated Press to-day reports from Portland, Me.: "Farm organizations throughout the country will be asked to support the farm relief program and other agricultural policies which the National Grange adopted at its sixtieth annual meeting at Portland. This was announced yesterday by Louis J. Taber, of Ohio, national master of the grange, after a meeting of the executive committee. 'We are planning to meet in Washington early in January,' Mr. Taber said, 'to go over the legislative program and call a conference of the executive officers of all farm organizations. The grange feels it has a constructive program, and it is going to ask the cooperation and seek to unify all rural forces.' The grange planned to 'put the greatest legislative pressure' on its resolutions asking Congress to enact legislation providing an export debenture system to aid the farmers, favoring the lease of Muscle Shoals for manufacture of fertilizer and recommending the designation of a national 'farmers' day' to call attention to agriculture."

Section 2

Bankers and Acreage Control

Manufacturers Record for November 18 states that Henry S. Fleming of New York, a former editor of that journal, now a leading engineer, with wide experience in the United States and in Canada, in writing the Manufacturers Record about the question of the betterment of farm conditions, says: "I feel from my own observation that the production of cotton, wheat, corn, and possibly some of the other staple crops, could be completely and properly controlled by the banks through an understanding among themselves as to the total acreage desirable and its subdivision among different sections. While it is true that both banks and supply houses finance the large and also the small growers of these staples, the supply houses are, in turn, financed by the banks and are definitely under their influence, and the vast majority of the growers, therefore, come under the direct influence of the banks and are in a position where their acreage in any one of the important crops could be controlled. I do not mean that this could all be accomplished between seasons. It might take some time, and it would certainly take a vast amount of work, to get all of the banks, small and large, to cooperate through their banking association in the movement. I have had considerable experience in the West and Northwest and in Canada in the agricultural districts, and can assure you the banks in those sections can exercise a very dominating control over the growers of wheat, corn, etc., and unless some means are found to control the trouble of overproduction at its source--that is, the acreage--no steps such as Brazil follows in its coffee valorization, or Great Britain in its rubber control, will ever be practicable...."

British Marketing Problems

An editorial in The Journal of the (British) Ministry of Agriculture for November says:"...The problem of assisting home producers in the marketing of their produce is a very complicated one, and development must necessarily be slow. It will be possible in due course to make use of the grant (annual grant of one million pounds) for many purposes and in many directions, but for the moment the Ministry regards the exhaustive investigation of marketing methods as the first and primary step. Investigations of this type have been in progress for some time past and a number of reports have already been issued by the Ministry in the series known as the 'Economic Reports.'....These investigations involve a great amount of inquiry into trade conditions, as they have necessarily to cover the various stages of marketing from the point of production to the point of retail sale....The aim of these reports is to give not only a descriptive account of English marketing methods, but, as far as possible, to make constructive suggestions as to directions in which the marketing of home produce can be improved. The suggestions are made on the basis of the facts ascertained in the investigation, but are admittedly subject to further examination and testing in actual practice. They are in the strict sense of the word 'suggestions.' Many of them relate to such questions as the grading, packing, and general standardization of home produce in a way which will enable it to compete more successfully with imported goods. The next step following on the investigations is the demonstration of such suggestions as lend themselves to treatment in this way. For example, at the show at Birmingham, from November 2 to 4, 1926, which is being held under the auspices of the Birmingham Agricultural Society and the Midland Federation of Fur and Feather Societies, a preliminary demonstration of methods of marketing poultry and eggs will be given....

It is hoped by means of these demonstrations and by means of leaflets and other forms of publicity to bring the whole subject of the improved marketing of agricultural produce actively to the notice of the home producer, and to provide means whereby possibilities of improvement can be discussed and considered by those concerned...."

Cooperation in Iowa

An editorial in Iowa Homestead for November 11 says: "That the farmers cooperative movement is growing in Iowa, is indicated by a survey of the Iowa Farm Bureau Federation, according to which there are 1,400 local cooperatives at work in the State. The report states in part: 'There were 631 livestock shipping associations in operation in this State in 1925. These associations represented approximately 120,000 members. The amount of business which these organizations will transact in 1926 is estimated to exceed $100,000,000. At the present time there are about 265 creameries in operation in Iowa, whose total volume of business this year will undoubtedly exceed $33,000,000. They have a total membership of over 62,000. Farmers' elevators in operation number 511, representing about 70,000 members. It is probable that there are nearly 200 more that call themselves farmers' companies, which have a comparatively small list of stockholders, consisting almost entirely of farmers. There is a growing interest in cooperative associations on the part of members and nonmember farmers alike. Farmers are rapidly coming to the opinion that they must market their products in a businesslike way. One of the outstanding evidences of progress in the cooperative associations in Iowa during the last 10 years has been the improvement in business practice without which further development would be greatly retarded. Another encouraging sign is the growing appreciation and use of the services available through trade organizations, such as the Farmers Grain Dealers of Iowa, the Iowa Cooperative Shippers, and the Iowa Creamery Secretaries and Managers Association.' ..."

Cotton Buying and Publicity

An editorial in The Journal of Commerce for November 19 says: "A well known automobile manufacturing concern has announced its intention to buy a bale of cotton for each car sold in the Cotton Belt during the months of November and December. As purchases are to be at market price and the opinion is widespread that cotton at existing levels is a good buy, it may be doubted whether this widely heralded publicity plan will have much effect upon the fortunes of the cotton planter. Certainly the buying concern is risking little in launching a most clever and ingenious device for advertising its goods. From the point of view of the company, the proposal which has been made is entirely legitimate, but it contains the seed of much economic mischief. It is at least to be hoped that emulators of such advertising methods will be few and far between. Altruistic or non-economic purchasing never yet solved the problem of disposing of excess supplies. The theory that 'every little bit helps' does not hold water in such cases. Goods bought in excess of requirements can not and will not be held off the market for long in substantial amounts. They are likely to be returned to the channels of distribution as erratically as they have been withdrawn, and in the long run hinder instead of help along the inescapable adjustment of large supplies to limited real demands."

Cotton Grades

An editorial in The Wall Street Journal for November 19 says: "Good grades of cotton are finding a ready sale, says a report from Memphis, a leading interior market. Both domestic and foreign buyers are actively in the market. The inference from this activity is that notwithstanding the huge crop, there is not an excessive supply of good grades of cotton. Grade of cotton is principally a question of weather both during the growing and picking season, particularly the latter. Only two-thirds of the estimated crop had been ginned at the time of the last census report, so an approximation of the grades of the total crop can not be successfully worked out from the weather reports at this time. But it is certain that the weather during the picking period thus far has made for the lowering of grades. Some idea can be obtained of the way grades are running from the cotton in licensed warehouses of New York. At the time of last statement--November 6--there were 76,983 bales of Government classed cotton here. Of this, 10.2 per cent was middling, which is the basic grade, 6 per cent was strict middling, the grade above middling, and about three-quarters of 1 per cent was of the three higher grades, thus making less than 7 per cent above the basic grade. The grade next below middling, or strict low middling, should be fairly considered as 'good cotton.' The market's valuation of this grade is 99 points below middling. The quantity of this grade in the warehouses here was 15.6 per cent of the total. The next grade below basic, is low middling. This made up 40 per cent of the supply. Low middling is 2.33 cents below the basic grade. Therefore, when spot cotton sells at 13 cents in New York, 40 per cent of the stock here would be worth only 10.67 cents a pound. The remaining 27 per cent of the stock is made up of stained or spotted cotton, some of which is untenderable on contracts and some untenderable, but all is spinnable cotton, although of a much lower value than middling. All these grades of cotton are usable in the manufacture of a cheaper quality of goods. How much of the 1926 crop that is unspinnable, and, therefore, can not be used in the manufacture of yarns and goods, is not ascertainable at this time. But the large proportion of the lower grades of cotton suggest that more than usual of the cotton will be of an unspinnable grade."

Cotton Market

Commerce and Finance for November 17 says: "Looking ahead, an impression seems to be gaining ground that the world will buy all the cotton the South is willing to sell at these prices if it is marketed gradually, and would probably be willing to buy more than the South has for sale at any material decline. This is a view of the situation which has been strengthened by the persistency of trade and investment buying on declines or on scale-down orders, but that up to the close of last week no general confidence had developed in the more immediate ruling of the market was demonstrated by the slackening of demand on advances and the falling off in the volume of business. Evidently there is little inclination to sell cotton, speculatively short below the supposed cost of production and while there is nothing to indicate any excess of spot offerings in the South. On the other hand, there has been no sign that limits were being raised on trade buying orders, while the extent of the available supply tends to restrain speculative buying on advances, and the market has seemed to be finding its balance between conflicting influences at about the 12½ cent level for January contracts."

Farm Loan Board

The Journal of Commerce for November 19 states that Congress is to be asked for new legislation bringing in closer affiliation the Farm Loan Board with the Treasury Department. This was officially indicated November 18 when Secretary Mellon announced that there is expectancy that some additional legislation may be required.

Radio for British Farmers

The Field (London) for November 4 says: "The further use of wireless to inform farmers of prices for farm produce and animals will be welcomed and should meet with unqualified support. Townspeople also should be interested in this development, as it will keep them instructed in the movement of markets and prices of vital significance to them. As buyers of practically everything the farmer sells, it should interest housewives to know what the producer receives for the produce and to be in a position to reckon what it costs to place the same article on their tables. It is to be hoped that the prices quoted will be given in simple terms, so that both the farmer and householder will have no difficulty in comparing prices on the farm with prices in the shops. General figures quoted without any description of the class of produce are worthless and can only be misleading."

Section 3
MARKET QUOTATIONS

Farm Products

Nov. 19: Chicago hog prices closed at $11.80 for the top, bulk of sales $11.25 to $11.75; beef steers show a marked decline on the lower grades and a 25¢ loss on the better classes, cows and heifers also sharing in the decline. Vealers are steady to slightly lower with heavy calves and stocker and feeder steers unchanged. Fat lambs are 25 to 35¢ lower, yearling wethers and feeding lambs 25¢ off and fat ewes 50¢ below last Friday's prices.

Maine sacked Green Mountain potatoes $2.65 to $3.15 per 100 pounds in eastern cities; bulk stock $2.25 to $2.30 f.o.b. Presque Isle. Wisconsin sacked round Whites $2.25 to $2.40 carlot sales in Chicago. Virginia yellow sweet potatoes firm in most eastern markets, closing at $2 to $2.75 per barrel. New York yellow varieties onions $1.65 to $2 sacked per 100 pounds in eastern cities; $1.35 to $1.40 f.o.b. Rochester. New York Rhode Island Greening apples $2.75 to $3 per barrel in New York City; Baldwins $2.50 to $3.

Closing prices on 92 score butter: New York 52¢; Philadelphia 53¢; Boston 49¢.

Grain prices quoted November 19: No.2 red winter St.Louis $1.34. No.2 hard winter Chicago $1.37. No.2 yellow corn Chicago 75¢; No.3 yellow corn Chicago 68 to 74¢; St.Louis 73¢. No.3 white oats Chicago 42¢; St.Louis 44¢.

Average price of Middling spot cotton in 10 designated spot markets declined 8 points, closing at 12.27¢ per lb. December future contracts on the New York Cotton Exchange declined 10 points, closing at 12.53¢ and on the New Orleans Cotton Exchange they declined 7 points, closing at 12.57¢. (Prepared by Bu. of Agr. Econ.)

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Vol. XXIII, No. 45 Section 1 November 22, 1926.

PAGE ON EUROPEAN PARLEY A dispatch from Geneva to the press of November 21 says: "Thomas Walker Page, American expert on the League of Nations Preparatory Economic Committee and former chairman of the United States Tariff Commission, said last night that American participation in the international economic conference not only will be of eventual aid to our prosperity but will be of immediate aid to western farmers and southern cotton planters in solving their difficulties....Mr. Page said: 'The agenda of the conference, in the item touching the distribution of raw materials, not only has particular interest to the United States from the viewpoint of our consumption of such staples as rubber and coffee, which are controlled by the producing Governments, but also from the point of view of our exportation of cotton and wheat. It is highly desirable that the producers of these products be represented at the coming conference, where they will inform themselves as to the conditions and restrictions concerning their products in European and world markets and discuss with representatives of the consumers the possibility of ameliorating conditions and removing or easing those restrictions.'"

THE COTTON CROP A New Orleans dispatch to the press to-day says: "The last day or two of the week have felt the usual slowing down of trading in cotton which always precedes a Government report. It is understood that both sides of the account are well liquidated, but there has been the inevitable last-minute liquidation or covering of belated traders. The general trade belief is that the Government will increase its crop forecast over that of two weeks ago, although it is thought that the increase forecast will not be very great, possibly not over 18,100,000 bales. Whether the Government will make allowance for the failure to pick more or less low grade cotton owing to the high cost of harvesting as well as for unopened bolls destroyed by the recent freezes is, of course, not known. The private crop estimates issued in advance of the bureau have, as usual, differed very greatly in the figures given, but all have shown a fair increase over the previous estimates by the same authorities."

LAND RECLAMATION The press of November 19 reports: "A commission of experienced, competent men will be appointed to make an inspection of the South with a view to the reclamation of its abandoned farms, Secretary of the Interior Work announced November 18. Congress at its last session authorized an appropriation of $100,000 for preliminary work. Mr. Work said he contemplated the improvement of conditions of farm residents and the colonization of lands rather than the incidental draining of swamps and clearing of cut-over land for the plow. The problem, he said, is one of economics and sociology through betterment of conditions now existing on abandoned farms and increase in the production of neglected lands, rather than that of bringing greater areas under intensive cultivation."

Section 2

Bankers on Agriculture

Permanent solution of the cotton problem, methods for combating the ravages of the corn-borer and other pressing problems of agriculture will be the subjects of discussion at a meeting of the Agricultural Commission of the American Bankers Association to be held in Chicago December 1 and 2, it is announced by Burton M. Smith, president of the Bank of North Lake, Wisconsin, chairman of the commission. The subjects assigned the members of the commission, who are bankers appointed to represent each Federal Reserve District, include: Charles M. Smith, president Marble Savings Bank, Rutland, Vermont, representing the Boston Federal Reserve District, "Forestry and Reforestation"; William K. Payne, president Cayuga County National Bank, Auburn, New York, representing the New York Federal Reserve District, "Cooperative Buying of Feed, Supplies, Etc."; Charles H. Laird, jr., vice-president West Jersey Trust Company, Camden, New Jersey, representing the Philadelphia Federal Reserve District, "Handling Perishable Food Products"; R.D.Sneath, President Commercial National Bank, Tiffin, Ohio, representing the Cleveland Federal Reserve District. The subjects which the members of the advisory council of the commission, composed of leading agricultural educators, have been asked to be present, include: F. D. Farrell, president Kansas Agricultural College, Manhattan, Kansas, "County Development of the Banker-Farmer Movement"; W. R. Dodson, Dean College of Agriculture, Louisiana State University, Baton Rouge, Louisiana, "Permanent Solution of the Cotton Problem"; H.L.Russell, Dean College of Agriculture, University of Wisconsin, Madison, Wisconsin, "High Spots in the World Agricultural Situation". D.H.Otis, Madison, Wisconsin, Director of the Agricultural Commission, will speak on "'48' Varieties of Banker-Farmer Work". The following have also been invited to attend the meeting: W.M.Jardine, Secretary of Agriculture, Thomas R. Preston, president Hamilton National Bank, Chattanooga, Tenn., and first vice president American Bankers Association; Craig B. Hazlewood, Vice President Union Trust Company, Chicago, Illinois, and second vice president American Bankers Association; Fred N. Shepherd, New York, executive manager American Bankers Association; Dr. Walter Lichtenstein, executive secretary, First National Bank, Chicago, Illinois and Rev. L.N. Zirbes, North Lake, Wisconsin.

Cotton Relief

An editorial in Florida Times-Union for November 17 says: "The cotton situation has furnished an instance of reasonably quick action by way of giving practical relief to cotton growers who are suffering with over-production of a very important agricultural staple. A Washington dispatch, sent out under date of November 12, says that 'plans for financing the storage of 4,000,000 bales of surplus cotton over a period of eighteen months were perfected to-day at a conference of representatives of the new finance corporations formed in Southern States with members of the Farm Loan Board and heads of Intermediate Credits Banks.'....The action that here is being referred to has not been precipitate. But it has been gratifyingly prompt, starting with the various cotton conferences of a month or two ago, in cooperation with the Government agencies and the banking institutions, both Federal and local. The result is that what has been planned is based on thorough understanding of the situation and a sincere desire to give practical assistance where needed and possible."

Cuba's Sugar Crop — A Havana dispatch to the press of November 19 says: "Cuba's next sugar crop will not exceed 4,500,000 tons, a Presidential decree issued November 18 announces. The advisory commission appointed by President Machado, and headed by Don Rafael Sanchez Aballi, retiring Cuban Ambassador to the United States, now in Havana, recommended November 18 that the crop be limited to not more than 4,500,000 tons. The decree also provides for commencement of actual cutting of cane on January 1. A world sugar conference in Havana is provided for at the end of the harvest."

Electricity Farm Need — A New York dispatch to the press of November 18 says: "Pointing the way to a permanent solution of the national farm problem through complete Nation-wide electricification of the rural districts, Arthur Williams, vice president for commercial relations of the New York Edison Company, in an address before the annual meeting of the Academy of Political Science at New York, November 17, declared that 90 per cent of the farm life of this country is existing substantially as it existed 100 years ago. This condition, he said, can be remedied only through complete electrification of rural highways, for the purpose of bringing the power plant to the farms. This highway electrification might be financed by the collective effort of all who would be benefited. Although it represents at least 35,000,000 population and $58,000,000,000 investment, farming is the only industry which still uses the methods of a century ago, Mr. Williams declared."

Farm Programs — An editorial in The Michigan Farmer for November 6 says: "The discussion of the general agricultural situation and the various proposals for farm relief legislation has had the very natural result of putting the question of the individual farm program in the background. There is a rather general assumption that the business of farming is about as efficiently conducted as any other line of business, and that general relief through some form of government action is essential to the maintenance of a profitable agriculture. There are rather wide differences of opinion among agricultural leaders as to the particular remedy which should be applied, but there is no such handicap in the establishment of an individual farm program. Great as may be the need of a national agricultural policy, the establishment of such a policy along any of the lines proposed would not solve all of the individual farmer's economic problems. Then, as now, farm prosperity would be a relative term, evident in varying degrees on the farms of any and every community. Then, as now, economic production would be the equation by which the relative prosperity of the farmers of any community would be measured. The individual farm program is an even more important consideration to the average farmer than is the national farm policy. It is something for which he does not need to wait, which he can figure out and inaugurate for himself...."

Meredith's Plan — An editorial in The Wall Street Journal for November 20 says: "Ex-Secretary Meredith's plan for affording real help to the farmer is so much better and saner than that outlined in the McNary-Haugen bill, or in other plans submitted for public approval, that it may at least be worth while to try it, even at some preliminary loss. Price dictates the size of the farmer's crop, and a price moreover taken at the wrong time of year. The farmer judges by prices ruling at planting time. This is the sure way to overproduction. If he were shrewder

the farmer would choose the crop showing the poorest price. One season produces a fair crop of potatoes, with a good price because of scarcity elsewhere. A much larger number of farmers then plant potatoes in the following spring, but are surprised that the good prices of the previous season are not maintained. What Mr. Meredith proposes is that a price should be guaranteed to the farmer for wheat, corn, cotton, butter and one or two other things, so that he could judge for himself on March 1 whether that crop was worth while. With the farmer contributing only a small amount of the insurance fund the protection against overproduction would be effective. If the season's results prove that the price was too high, involving the marketing of a hundred million bushels of wheat abroad overproduced, at a loss of 15 cents a bushel, the price could be reduced for the next season. Obviously the question of weather is waived here as being a risk beyond anybody's control. If the price realized proved higher than had been anticipated, a reduction in next year's price would practically force the farmer to plant less and diversify. If the supply of corn proved inadequate the price of corn would be raised five cents a bushel for the next season. Over a series of years a fairly close approximation might be reached and the cost of taking up the slack could be frankly written off to insurance. Any other method proposed involves a subsidy which would automatically stimulate overproduction with each successive year recording a heavier loss. Not only would overproduction by the American farmer be stimulated; we should be holding the umbrella for Argentina and Australia, to say nothing of the countries of Europe....At any rate, Mr. Meredith has performed a public service and suggested a workable plan. There are economic and even international defects, for wheat and maize are world crops; but at least we need not scare ourselves with a question-begging epithet like 'price-fixing.' When Congress is in a hurry to do something for political reasons it usually does the wrong thing, economically. Here is a fairly safe and not too costly line of experiment."

An editorial on the same subject in The New York Times for November 20 says: "It was a wise and proper thing for the Chamber of Commerce of the State of New York to invite Mr. Meredith of Iowa, former Secretary of Agriculture, to speak at its annual dinner....In stating the case for the western farmers, ex-Secretary Meredith said little that was new. Like many others, he points to the unwieldy agricultural surplus as the main root of the trouble....Mr. Meredith's suggestion of a method of price fixing, and so of stabilizing the business of agriculture, is ingenious, but grave doubts must arise whether it could be made to work. In the process of attempting it there would be such constant possibilities of political meddling, such jealousies on the part of farmers, such rivalries and competitions between different sections of the country, each appealing for special favors for its own particular crops, that the plan might easily get itself into a maze from which it could never be extricated. Moreover, it is doubtful if the great body of farmers could be got to approve, or even to understand, Mr. Meredith's idea. They would be certain to object to the contributory tax to be laid on themselves....."

Section 3
MARKET QUOTATIONS

Farm Products For the week ended Nov. 20: Potatoes around 10¢ to 40¢ lower. Maine sacked Green Mountains $2.65 to $3 per 100 pounds in eastern cities; bulk stock $2.25 f.o.b. Presque Isle. Apple prices fairly steady. New York Baldwins $2.75 to $3 per barrel in New York City; $2.50 f.o.b. Rochester. New York and Michigan Baldwins $3.25 to $3.50 in Chicago. New York Danish type cabbage around $2 to $5 lower in eastern distributing centers at $15 to $23 bulk per ton; $15 to $16 f.o.b. Rochester. Wisconsin stock $20 in Chicago. Onions steady in Chicago but slightly weaker in most other markets.

Chicago hog prices closed at $11.90 for the top, bulk of sales $11.35 to $11.85. Heavy runs and an oversupply of heavy fat steers brought prices down 75¢ to $1 lower than last week, reaching the lowest point in two years. Choice grade yearling steers are about steady, other grades and fat cows 25¢ to 50¢ lower, light heifers showed similar decline. Vealers shared the downturn at prices registering 50¢ to $1 lower. Stockers and feeders are weak to 50¢ lower. Fat lambs are weak to 25¢ lower, sheep steady and yearling wethers weak, compared with a week ago.

Butter markets during the week ending November 20 were in a firm position with prices advancing. Trade was active. The statistical position of the markets is quite favorable, with receipts light, storage movement heavy, and the surplus over last year of stocks in storage considerably less than a month ago. Closing prices on 92 score: New York 51 1/2¢; Chicago 49 1/4¢; Philadelphia 53¢; Boston 49¢.

Cheese markets were steady and unchanged with prices on the cheese boards of November 19 of Plymouth, Wisconsin being maintained with slight advances on Square Prints and Longhorns. Trade was quiet. Wholesale prices at Wisconsin primary markets November 19, 1926: Single Daisies 23 3/4¢; Longhorns 24 1/4¢; Square Prints 25 1/2¢.

Hay market firm account wintry weather in Central West. Offerings moderate and demand more active. Prices averaging higher. Dairy hogs in brisk demand. No.1 timothy Cincinnati $20.50; Chicago $20.50. No.1 alfalfa Kansas City $20; No.1 prairie Kansas City $16; Chicago $21; Minneapolis $19.50.

Feed market firm with wintry weather in West. Demand averaging more active and prices generally higher. Wheat feeds particularly firm in Northwest where mills bringing back some feed from lake ports to ship out from the city.

Average price of Middling spot cotton in 10 designated spot markets advanced 8 points during the week, closing at 12.23¢ per lb. December future contracts on the New York Cotton Exchange advanced 6 points, closing at 12.54¢, and on the New Orleans Cotton Exchange they declined 1 point, closing at 12.59¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Nov. 20,	Nov. 19,	Nov. 20, 1925
20 Industrials	153.95	152.86	152.45
20 R.R. stocks	117.66	117.45	107.13

(Wall St. Jour., Nov. 22.)

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DAILY DIGEST

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Vol. XXIII, No. 46 Section 1 November 23, 1926.

AGRICULTURAL LEGISLATION The press to-day reports: "A new draft of the McNary-Haugen farm relief bill has been completed by Senator McNary of Oregon, who will reintroduce the measure next week, thus starting anew the drive for this agricultural legislation. Members of various farm groups in Congress who have already arrived are holding conferences on the situation and to plan for more determined efforts than ever to put through some sort of legislation in the coming short session....Senator McNary said yesterday that in his new bill he had sought 'to simplify the machinery involved in the human agencies that are to administer the law.' Other changes seek to eliminate some of the controversial matter that led to its previous defeat. The advisory board proposed in the last bill has been eliminated as 'cumbersome.' The new measure provides simply for a Federal farm board based on the plan on which the Federal Farm Loan Board is organized. There would be twelve farm districts and a representative from each on this board. Senator McNary has retained the equalization fee feature, but in simplified form to facilitate its collection. The money would be paid into a 'stabilization fund.' Cotton, corn, wheat, swine and rice are the five basic commodities covered by the measure....."

THE COTTON ESTIMATE The New York Times to-day comments: "Though the trade had reached the conclusion that more than 18,000,000 bales of cotton had been grown this year, it was quite generally expected that yesterday's official estimate would be but a little over the even figure. An increase of 481,000 bales above the previous report proved more than looked for and for a time prices lost ground on all three exchanges. Census returns, however, on the quantity already ginned fell below the amount anticipated. Gins turned out about 1,700,000 for the period or only 300,000 more than two years ago, when the crop was 5,000,000 less than this season. The quantity of contracts wanted on the decline furnished stubborn resistance and a recovery the last hour left final quotations a point higher to two points lower than Saturday....."

THE WATERWAYS CONVENTION A St.Louis dispatch to the press to-day reports: "Advocates of improved waterways gathered at St.Louis last night from twenty-six States at the Mississippi Valley Association Convention, regarded their program as sure of accomplishment because backed by the word of President Coolidge, Secretary Hoover, the chief of the army engineers and the chairman of the House Rivers and Harbors Committee....Secretary Hoover, General Jadwin, chief of army engineering and S. Wallace Dempsey of Buffalo, chairman of House Rivers and Harbors Committee, each made pleas that the entire country regard waterway development as a national improvement, and that sections of the country work with, instead of against each other....R.W.Dunlap, Assistant Secretary of Agriculture, pointed out that while the prices received by the farmer varied, the charges for carrying his produce were not variable. He said the handicaps of distance must be reduced by use of nature's greatest highways, the rivers and seas, adding that while factories could be relocated because of freight differentials, farms could not be moved....."

Section 2

Government in Business

An editorial in The Northwestern Miller for November 17 says: "The present administration already is committed to cooperative marketing. This, however, may mean anything from the operation of a local elevator to Nation-wide pooling to force an advance in prices. A part of any such program may be sound and have merit. When, however, it reaches the point where the National Treasury becomes the means to finance crop holding to enhance the price to the consumer, its merit disappears and, by whatever euphonious name it may be called, it becomes a scheme to benefit one part of the people at cost of another part. Sooner or later, millers and the grain trade will be called upon to face the issue of Government interference and of control of their business. So far, with no immediate threat of enactment of the McNary-Haugen bill, both industries have stood their ground. What will happen when passage seems imminent and insidious efforts to compromise make their appearance? In particular, will millers, in return for an export bounty on flour or some other weasel clause in the bill, yield their principles and contribute toward their own undoing as well as that of the ultimate safety of the country?...."

Grape Grower Cooperation

An editorial in The Pacific Rural Press for November 6 says: "Everything said regarding the clearing house plan goes for the rapidly yeasting Shipping Grape Association. For the first time grape growers have gotten together, which is indeed great news. It was necessary for growers to forget their sectional differences, and they have. Service to these growers will be on a broad basis. The association will not come to the front gate and escort the crop to market. It will not attempt to dictate to growers. But it will attempt to direct the flow of the entire crop to market so that the individual's grape crop may avoid some of the market pitfalls. In other words, distribution service--emphasis on service...."

Grape Juice Industry

An Associated Press dispatch from Bath, N.Y., to the press of November 22 says: "Vineyardists of the Lake Keuka country, discouraged by prevailing low prices of grapes, are turning out an unprecedented quantity of unfermented grape juice. Ten custom pressing plants are running at capacity in Urbana, Wayne, Pulteney and Prattsburg. It is estimated that more than 15,000 gallons of the juice have been produced so far this season. The juice, dependent on the grapes used as well as the extent of its refinement, commands from 50 cents to $2 a gallon. Not since the enforcement of national prohibition has the Keuka country witnessed so large a demand for grape juice as that of this season. Buyers from throughout the State, from Albany to Buffalo, are hauling the juice away in motor trucks. This activity is all outside of the regular grape juice trade."

Instalment Buying

A rather extreme view of the ultimate effect of instalment sales is voiced by Senator James Couzens in an article, entitled "The Instalment Buyer Worries Me", appearing in the current number of Nation's Business Magazine. Senator Couzens is not so much concerned about the instalment seller because, as he point out, the seller is able to take better care of himself by prudence and precaution. It is the buyer about whom the Senator from Michigan is talking. "No one who is buying unnecessary articles on the instalment plan is getting his money's worth," Senator Couzens says; "every one who is buying in

that manner is curtailing his purchasing power. Every one who is doing this is really getting less out of his investment than the cash buyer. He can not possibly have as much of this world's goods if he buys under this plan as if he bought on the pay-as-you-go basis. Business men, bankers and manufacturers, I hope, will see the handwriting on the wall in time at least to curb this expansion of instalment sales. Above all, I hope that the buyer will wake up to what is really happening before it is too late, before we encounter a great crisis. It will come. It is simply a question of how soon, and in my judgment is not very far off. We have yet time to help ourselves to some extent, even though we have gone too far to prevent all trouble. If the normal average business man would consider such abstractions as the economic welfare of the country, he would refuse to engage in such an economically unsound program. The weakest of these business men (and I mean the weakest in character--not so much the weakest in finance) will go ahead with it, because he will satisfy himself that he is forced into it by competition. But you will find thousands, yes hundreds of thousands, of manufacturers and merchants throughout the country who refuse to engage in this unsound practice."

Muscle Shoals The press November 19 reports: "Approval of another twelvemonth extension of the lease of the Alabama Power Company on the 60,000-kilowatt steam power plant No.2 at Muscle Shoals, Ala., was announced November 18 by the War Department. The original lease, for one year, was executed in 1921 and has been renewed annually. Secretary Davis said that, even with hydroelectric power developed by the Government plant at the Wilson Dam, the output of the steam plant was needed to meet power demands in southern territory. Up to October 31 the Government had received $1,114,584 from the steamplant lease."

Organization Lack in Ireland An editorial in The Irish Statesman for October 30 says: "The lament of Irish barley growers that a market could not be found for hundreds of thousands of barrels which remain in their hands and the discussion on their plight at the Executive of the Irish Farmers' Union suggest that neglect of business organization is responsible for a large part of their helplessness. Indeed one member recognized this, and said unorganized farmers were simply social strays powerless in the market. But why do not farmers help each other? If it be true, as many experts have said, that barley is as excellent for feeding purposes as the maize imported to the extent of about 700,000 tons, if Irish agriculture was organized for purchase and sale it would find ways of preparing the barley as a substitute. The Minister for Agriculture said the barley ought to be fed to stock if brewers and distillers could not buy it. The unorganized farmer who has perhaps little stock looks helplessly at his barley when this advice is given. If Irish farmers had built up trading organizations for every branch of their business they would find a way out much easier. Some spokesmen of Irish agriculture talk as if it was impossible for Irish farmers ever to do anything to help themselves. Other people must market for them. Other people must build grain stores for them. They can not form credit societies as farmers have done over Europe. The Government must finance them. They can not create cooperative livestock insurance societies as farmers do in Europe. If there is an epidemic the Government must step in, that is, the rest of the country must

supply the cash....We do not believe Irish agriculture will ever be prosperous until Irish farmers put into operation the policy which Sir Horace Plunkett advocated so long and so strenuously of a complete organization for credit manufacture, marketing, purchase and insurance. If they do this they will not find it necessary to appeal so often to the State for aid. Their organizations will find a way out. For any agricultural community to remain unorganized is collective imbecility in the modern world. Organized farmers 6,000 miles from the common market can wipe them out. To be unorganized is to be in training for outdoor relief, which, indeed, is what the unorganized farmers are asking for."

Waterway Plans

The New York Times for November 19 reports: "The enlarged Joint Engineering Board, which for the last two years has been considering the question of the proposed improvement of the St. Lawrence River waterway from Montreal to Lake Ontario, for both navigation and power, has completed its basic report....The recommendations of the Joint Engineering Board which consisted of six members, three representing the United States and an equal number Canada, were not revealed. A copy of the report by the American members has been delivered to Secretary Hoover, chairman of the President's Advisory Committee, and it is understood the Canadian members have reported to the Canadian Advisory Committee. The completion of this basis report and another announcement by the War Department November 18 with respect to the proposed all-American Canal route across New York State from the Lakes to the Hudson served to set the stage for the contest, which threatens to be very bitter in the coming session of Congress, between the respective forces interested in these rival deeper waterway routes from the Great Lakes to the sea....."

Section 3

Department of Agriculture

An editorial in The New York Times of November 22 says: "One of the local problems which in several Western States has caused much heartburning and which, transferred to Washington, has involved bitter attacks on the Forest Service's policy of conservation, will soon be solved if the recommendations which Secretary Jardine is to lay before representatives of the cattle and sheep interests of the West are accepted....The new recommendations which will be discussed with the cattle and sheep men accept in principle the idea of commercial valuation--that is, of fixing a grazing fee on a basis comparable to the cost of grazing on private lands--but propose to put it into effect on a sliding scale extending over the period from 1927 to 1930....That this plan will be accepted without a murmur by the stock grazers is not to be expected. They will doubtless renew their efforts to undermine the Nation's conservation policy. But the fact that the new plan has been accepted by the Department of Agriculture, with important modifications by one of the leading stockmen of the West, may help to bring about its acceptance and thus to end this last echo of an old frontier struggle."

Section 4
MARKET QUOTATIONS

Farm Products Nov. 22: Maine sacked Green Mountains $2.85 to $3 per 100 pounds in eastern cities; bulk stock mostly $2.30 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2.30 to $2.40 carlot sales in Chicago. New York and Michigan Baldwin apples steady at $3.25 to $3.50 per barrel in Chicago. Rhode Island Greenings, Grimes and Staymans $2.50 to $3.25 per barrel in the East. New York Danish type cabbage $18 to $25 bulk per ton in distributing centers; $15 to $16 f.o.b. Rochester.

Chicago hog prices closed at $12 for the top, bulk of sales $11.35 to $11.85 higher. Beef steers ranged from 25¢ higher to 25¢ lower, inbetween grades showing the declines. Heifers and heavy calves held steady, cows being mostly 25¢ lower. Vealers were steady to 50¢ lower, and stockers and feeders 25¢ higher to 25¢ lower. Fat lambs advanced 35¢ to 50¢, yearling wethers, fat ewe and feeding lambs being 25¢ higher.

Grain prices quoted November 22: No.1 dark northern Minneapolis $1.38 to $1.42. No.2 red winter St. Louis $1.36. No.3 yellow corn Minneapolis 74¢; St. Louis 74¢. No.3 white oats Minneapolis 41¢; St. Louis 43¢.

Closing prices on 92 score: New York 51 1/2¢; Chicago 49 1/2; Philadelphia 53¢; Boston 49¢.

Average price of Middling spot cotton in 10 designated spot markets advanced 3 points during the week, closing at 12.28¢ per lb. December future contracts on the New York Cotton Exchange declined 1 point, closing at 12.55¢, and on the New Orleans Cotton Exchange they declined 2 points, closing at 12.57¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Nov. 22,	Nov. 20,	Nov. 21, 1925
20 Industrials	155.01	153.95	151.08
20 R.R. stocks	117.70	117.66	108.86

(Wall St. Jour., Nov. 23.)

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DAILY DIGEST

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Vol. XXIII, No. 47 Section 1 November 24, 1926.

FARMER ORGANIZATION URGED

A Harrsiburg, Pa., dispatch to the press to-day says: "Organization of farmers, either in a cooperative movement or any other form which would lead to concerted action, was urged at the closing session of the Agricultural Conference of Middle Atlantic States farmers and agriculturists at Harrisburg, yesterday. Farming has become altogether an individualistic business, speakers pointed out, with the result that one farmer competes with another instead of cooperating with him. Improper distribution of products is the root of the evil in the agricultural industry, in the view of speakers, who urged a better control of production."

TRADE COMMISSION AND MEAT PACKERS

The Associated Press to-day reports: "The Federal Trade Commission, whose perennial effort to regulate the practices of American business has kept it in constant litigation, won a trick and lost two yesterday in the Supreme Court. The court agreed with the commission that the Western Meat Co. of California must give up control of the plant of the Nevada Packing Co., because of certain circumstances attending the acquisition. In somewhat similar proceedings against Swift & Co., of Chicago, and the Thatcher Manufacturing Co., of Philadelphia, however, the court not only reversed the commission but laid down certain limitations to guide its future acts. It was held that the commission is without authority to 'require one who has obtained actual title and possession of physical property before proceedings were begun against it, to dispose of the same, although obtained through an unlawful purchase of stock.' From this opinion Justice Brandeis dissented, declaring authority to compel divestment of stock ownership must carry with it authority to compel a corporation also to give up physical property of competitors when acquired through stock control. The proceeding against Swift & Co. was designed to strip it of control of packing plants acquired in Moultrie, Ga., and Andalusia, Ala., while that against the Thatcher Co. questioned the corporation's acquisition of the Essex and other milk bottle manufacturing concerns in New York and elsewhere."

LIVERPOOL AND COTTON FUTURES

A Liverpool, England, dispatch to the press to-day says: "A poll is to be taken to-day on the question of an extension of trading in American cotton futures for two years ahead. At an extraordinary meeting of the association November 22 the proposal was defeated."

WATERWAYS

An Associated Press dispatch from St. Louis to-day states that indorsement of the "all-American deep waterway," from the Great Lakes to the Atlantic seaboard at New York City, late yesterday threw the influence of the Mississippi Valley association into the fight against cooperation with Canada and adoption of the St.Lawrence River as the preferred route. An Ottawa dispatch states that American and Canadian engineers have failed to agree on a plan for the development of the Great Lakes-St.Lawrence waterways.

Section 2

Farm Relief

In an editorial on coming farm legislation, The Baltimore Sun for November 23 says:"...Senator McNary, who succeeds Senator Norris as head of the Senate Committee on Agriculture, is quoted as saying that he will introduce the McNary-Haugen bill again. Senator Smith, of South Carolina, announces that he will push for relief of the cotton planters. Representative Aswell will urge his cooperative marketing bills anew. Other measures are under consideration. But as the session has only ten working weeks nothing is likely to be accomplished unless there is a combination between the South and West--now being sought--which spells political danger if something is not done....The whole country is concerned in seeing the farmer prosperous if anybody will present a practicable plan to make him so. It is admitted that he can not control his business as men in many other pursuits do. He is dependent upon sunshine and rain, the seasons and the weather. But, by and large, his real trouble is that he is constantly producing a surplus and it is difficult to persuade the Nation that he will raise less if he is guaranteed a profit, or that it will suffer irretrievable harm if it permits economic laws to drive more people from the farm. It is forced to believe that there are too many people engaged in agriculture. The farmer may be the backbone of the country, but there is something wrong with a backbone which has to be bolstered with a subsidy. We are warned that the day is coming when food shortage will cripple the Nation. But with a vast amount of tillable land, with scientific research and invention showing the way year after year to make this land more productive, it is hard to visualize such a condition. The saner view would seem to be that, when it draws near, hope of profit will repeople vacant spaces and production will again overtake demand...."

Keynes on British Cotton Trade

J. M. Keynes writes in The Nation (London) of November 13 on the position of the Lancashire cotton trade. He says in part: "The heavy fall in the price of raw cotton since the beginning of September may prove to have been, for the world as a whole, the most important economic event of the year, not excepting the British coal strike. More than one-third of the cotton spindles in the world are in Lancashire. Lancashire alone, if she worked full time, could consume 1,500,000 more bales of American cotton this year than last. It is, therefore, an occasion to examine the causes of Lancashire's present plight. The coal industry and the cotton industry have pursued in face of their common difficulties diametrically opposite policies. The coal industry has ruined itself by uncontrolled over-production, thus bringing down prices to an unremunerative level, and is now engaged in an attempt to chase the price further downwards and to aggravate the overproduction by establishing an eight-hour day uncompensated by the closing of pits. The cotton industry, on the other hand, has ruined itself by organized short-time extending over five years, which, by increasing overhead expenses, has raised its cost of production above the competitive level. Nevertheless, both these policies, opposite though they be, are based on a common fallacy. For both are founded on a belief that, if only the industries hang on, 'normal' times will return when they may again hope to employ all their existing plant and labor on profitable terms. Neither industry has attempted what the Germans are calling 'Rationalization,' that is to say, the concentration of demand on the most efficient plants, which are worked at full stretch and the rest closed down...."

Section 3

Department of Agriculture

An editorial in Western Breeders Journal (Portland,Ore.) for November 11 says: "On Wednesday of this week Secretary of Agriculture W. M. Jardine delivered an address before the American Country Life Association which, besides being a very thoughtful comment on basic agricultural trends, outlines rather clearly the Secretary's personal reactions to the fundamental problems of the farmer.....We are publishing it in full elsewhere in this issue of the Journal. We were interested particularly in the place given to the cooperative movement by the Secretary in the future rural scheme of things. He said: 'In particular, we should give them (the boys and girls) a thorough grasp of the methods and opportunities of the cooperative movement, for in this more than any other one thing lies the future of American farming, and with it of American rural life....' That's about the heartiest indorsement of cooperative marketing of farm products that we have seen. Secretary Jardine has been an enthusiastic supporter of cooperation for many years, and it seems that his wider contact with agriculture since he assumed his present position has served only to emphasize its value in his estimation. It is interesting to observe, too, that Mr. Jardine, while recognizing the purely economic phase of cooperation as essential, sees in it a sociological significance that transcends the economic in ultimate importance. To 'weld the farmers of the Nation into a cohesive group concerned with the upbuilding of a sound, permanent rural civilization,' is a high purpose, and one that endows the cooperative movement with a dignity that it could not attain as a mere dollar-and-cents matter."

Section 4
MARKET QUOTATIONS

Farm Products

Nov. 23: Chicago hog prices closed at $11.75 for the top, bulk of sales $11.10 to $11.65, choice steers $10.25 to $12.50; cows, good and choice, $5.60 to $7.25; common and medium $4.60 to $5.60; low cutter and cutter $4 to $4.60; vealers, medium to choice $10.50 to $12.25; heavy calves, medium to choice $6 to $8.50; stocker and feeder steers, common to choice $5.75 to $8.25; fat lambs $12 to $13.80; yearling wethers $9 to $11.75; fat ewes $4.25 to $6.75; feeding lambs $11.50 to $13.50.

Grain prices quoted Nov. 23: No.1 dark northern Minneapolis $1.37 to $1.41. No.2 red winter St.Louis $1.35. No. 2 yellow corn Chicago 73¢; No.3 yellow corn Chicago 72¢; Minneapolis 73¢; St.Louis 73¢. No.3 white oats Chicago 41¢; Minneapolis 40¢; St.Louis 44¢.

Average price of Middling spot cotton in 10 designated spot markets declined 10 points closing at 12.18¢ per lb. December future contracts on the New York Cotton Exchange declined 13 points, closing at 12.42¢ and on the New Orleans Cotton Exchange they declined 10 points, closing at 12.47¢.

New York sacked Round White potatoes sold at a range of $2.15 to $2.85 per 100 pounds in eastern cities; $2.35 to $2.50 f.o.b. Rochester. Virginia Yellow sweet potatoes closed mostly around $2.50 to $3 per barrel in city markets. Yellow onions from New York and the Middle West ranged mostly $1.50 to $2 sacked per 100 pounds in consuming centers; $1.50 to $1.75 f.o.b. New York Rhode Island Greening apples $2.75 to $3.00 per barrel in New York City. Eastern Yorks $2 to $2.50 in eastern markets.(Prepared by Bu. of Agr. Econ.)

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Vol. XXIII, No. 48 Section 1 November 26, 1926.

FARM RELIEF BODY DISBANDS In connection with the revival of the agitation for farm relief legislation at the coming session of Congress it is learned that one of the big farm organizations has dissolved. This is the National Council of Farmers' Cooperative Marketing Associations, which has had its headquarters at Washington and which professed to represent indirectly over 600,000 farmers....From all that can be learned there it was due to difference of opinion on the nature of farm relief legislation that caused the officers of the Council to decide about a month ago in Chicago to liquidate its affairs. The directing heads of the organization, according to the correspondence read by Senator Norris, had pledged it to support only the kind of legislation proposed by President Coolidge and Secretary Jardine. (Press, Nov. 26.)

COTTON BARTERING An Associated Press dispatch from Atlanta to-day says: "Bartering, as in bygone days, 'cotton for what have you,' has been added to the various means of relieving the cotton farmer from disposing of his crop at prevailing low prices. Offers to exchange their products for cotton at from 2 to 6 cents above the market price have appeared in several southern newspapers recently by numerous automobile agencies, a business college and a real estate firm. The prospective purchasers set forth their belief in higher prices, and most of them declare they will hold the crop indefinitely. The Georgia farmer's son who desires to enter business college has perhaps the best bargain. He can realize 18 cents a pound in exchange for his tuition at an Atlanta institution. The college adopted the plan after it had received several letters from prospective students saying they would be unable to attend because of the low price of the staple. The head of the school says the offer is not in the nature of a reduction in fees but is based upon the belief that cotton relief measures will bring prices to a level where they will realize the regular amount of the tuition. Several contracts have been made under this arrangement....."

DANES STAMP DATE ON BUTTER An Associated Press dispatch from London to-day says: "Housewives in Great Britain will soon be able to tell with certainty the age of the butter they buy, if it be imported from Denmark. Danish creamery men have agreed to stamp the date on each package with a view to expediting transportation and aiding buyers in checking whether the goods are fresh."

NEW RUBBER PROCESS PATENTED An Associated Press dispatch from Batavia to-day says: "A Dutch East Indian invention has been patented for the preparation of rubber on the estates without machines. This forms a quick drying raw material direct from the latex so that estate rubber may be packed in suitable form for market the same day it is tapped. The new process is to be demonstrated at the international rubber exhibition at Paris in January."

Section 2

Cotton Cut "The Misery Crop" is the title of an editorial in The Country Gentleman for December, which says: "Nobody deserves sympathy more than the southern cotton grower. All too often he is a helpless victim of a system in which he has no voice, which keeps him debt-ridden from year to year, and which leaves him no chance of escaping the periodical debacles that overtake the Cotton Belt. But sympathy does not remedy troubles as grievous and deep-rooted as those that beset cotton production. Neither does credit, though that may sometimes act as a palliative, as it is doing now. All that credit extensions can do with cotton growing in its present state is to ease the distress a trifle after the blow has fallen. The only relieving feature of the present cotton calamity is the possibility that cotton production will get the overhauling that has long been due. No other major American line of endeavor is struggling under such a load of obsolete practices, ruinous overhead, faulty human organization and unequal competitive conditions. Added to these is a singular blindness to the inevitability of cause and effect, which is responsible for such catastrophies as the present. ....Now the usual swearing-off process is on. A 25 per cent cut in acreage is being demanded. Whatever the effect of these resolutions, a reduction in both acreage and crop is certain to come next year. The pinch of circumstances, if nothing else, will attend to that. But after that what? Is the old story of chasing prices with acreage to be repeated all over again? It will not be if the Old South looks to its own best interests. There is where the main reduction should take place and it should be permanent. Not merely because too much cotton is being grown, but because the producing processes of the Old Belt are not in conformity with the tendencies and standards of American life. They require too profligate an expenditure of human labor....Except for certain individuals and localities favorably circumstanced to produce cotton in large volume or of a premium quality at relatively low cost, the Old South should reduce its reliance on cotton as far and as fast as possible. It has many splendid climatic advantages for the production of other agricultural commodities. It falls far short of supplying its own food and feed needs, annually paying out to other sections for these articles a sum fully equal to the value of its cotton crop. It has rapidly developing industrial resources, which will mean larger markets near at hand for other products than cotton. More than in any other section the financial and business interests of the South control agricultural operations. They should concern themselves with bringing these other opportunities into action, with setting up facilities for the financing and marketing of crops other than cotton, with helping their agriculture to make a gradual shift into safer and more profitable lines. And, a better marketing plan failing to appear, they should lend all possible support to the cooperatives so that these may secure a sign-up of cotton growers that will allow them to be a real factor in the marketing of the crop. Their contracts expire with this year's crop. It is imperative that they go on. A sharp and permanent cut in cotton acreage will meet with opposition. The cry will be raised that a large export surplus is needed to maintain the national trade balance. The answer is that it is better to lose our trade balance than to keep it at such a cost. There is no place in the American system for a 'misery crop,' a title which cotton long ago earned."

Grape Shipments

The press of November 23 states that an experiment conducted by railroad and shipper to coordinate the work of each in the transportation of a perishable agricultural commodity has just been brought to a close. The scheme employed was known as the California grape plan. It was formulated by the Pacific Coast Transportation Advisory Board and the Car Service Division of the American Railway Association to facilitate the handling of California grapes, which, since the advent of prohibition, have moved eastward at such a rapid rate as to be constantly a problem for the railroads. California's grape traffic to points east of the Missouri River has increased from 10,500 cars in 1916 to 73,200 cars in 1925. In 1919, when production was 1,000,000 tons, 28,000 cars were shipped, and in 1925, with a production of 1,900,000 tons, 73,200 cars, but in 1926, with a production of 2,200,000 tons, the loadings were reduced to 60,000 cars. By obtaining advance estimates of intended carloadings and by placing information at the grower's disposal as to eastern market and terminal conditions, the demand for cars was reduced to a point well within the capacity of the railroads, thus avoiding both congestion and waste. The magnitude of the problem was increased by the fact that the grape-growing regions of California extend over a territory as long as from New York to Chicago and approximately 100 miles wide and containing from 28,000 to 34,000 growers, entirely unorganized, and of many nationalities. The crop was marketed through 476 shippers.

Highway Forest Conservation in Michigan

Commercial West for November 20 publishes a letter from the State Highway Department of Michigan, which says: "In reply to your letter of October 25 pertaining to a newspaper report of some proposed highway work in Marquette County, Michigan, would advise that we recently informed the Marquette County Road Commission that the State would spend $5,000 on acquiring a certain piece of timber land confined to a comparatively narrow strip along one of the State trunk line highways in Marquette County, the county agreeing to spend an equal amount for this purpose. This is one of a few cases where the State Highway Department is spending a little money to acquire and to preserve some standing timber along trunk line highways in the norther part of the State, even though there is considerable timber privately owned along the highways in some counties....We have acquired a few pieces in Iron County adjacent to trunk line roads and a few of the northern Michigan counties have acquired a considerable acreage that will be converted into county parks. Michigan has quite a number of State parks, some of them being covered with timber but many of these parks are not on the highway proper. Our plan is to acquire this acreage in two ways--either in a block that can be converted into a State park or preferably in a strip about three or four hundred feet wide, the highway passing through the center of it. The cost is not excessive in most cases. I might add that for the past few years we have made considerable effort in landscaping our roadsides, our standard right of way width ranging from one hundred to one hundred and fifty feet and in some cases two hundred feet, the latter being confined largely to the metropolitan area in southeastern Michigan. We have not yet begun to plant trees along these highways on any extensive scale, but we are trying to preserve the desirable natural growth and hope to soon start an intensive program on tree planting along the roads where there are not trees."

World Timber Supply

A London dispatch to the press of November 19 says: "'A review of the forestry situation throughout the world leads to the conclusion that available supplies of the principal timbers of commerce are daily approaching exhaustion,' states the report of the forestry subcommittee of the Imperial Conference, which was presented November 18. 'There is every likelihood,' continues the report, 'that in less than thirty years the shortage of soft woods will be severely felt.' The United States, it is reported, has only a twenty-five years' supply of timber left, apart from the product of second growth areas. It is understood that the resources will soon be limited to a few Western States. Canada has only twenty-seven per cent of her original forestage left and her virgin soft wood resources will last only another quarter of a century."

Section 3
MARKET QUOTATIONS

Farm Products

November 24: Maine sacked Green Mountain potatoes slightly weaker at $2.85 to $3 per 100 pounds in eastern cities; bulk stock $2.35 to $2.40 f.o.b. Presque Isle. Chicago market firm on Wisconsin sacked Round Whites, with carlot sales at $2.25 to $2.50; f.o.b. trading at Waupaca $2.05 to $2.15. Some eastern markets showed price gains of 50¢ to $1 on Virginia Yellow sweet potatoes, closing sales ranging $2.50 to $3.50 per barrel. New York and Middlewestern yellow varieties onions ranged $1.50 to $2 sacked per 100 pounds in consuming centers; $1.40 to $1.75 f.o.b. New York Rhode Island Greening apples steady at $2.75 to $3 per barrel in New York City; Baldwins slightly weaker at $2.25 to $2.50.

Chicago hog prices closed at $11.75 for the top, bulk of sales $11.10 to $11.65; beef steers gaining 25 to 75¢. Heifers steady to 25¢ higher, cows 5¢ lower to 25¢ higher. Heavy calves held steady, vealers being steady to 50¢ higher. Stockers and feeders are 25¢ lower to 25¢ higher. Fat lambs advanced 75¢; yearling wethers 50¢, and fat ewes and feeding lambs 25¢.

Average price of Middling spot cotton in 10 designated spot markets declined 6 points during the week, closing at 12.25¢ per lb. December future contracts on the New York Cotton Exchange declined 5 points, closing at 12.50¢ and on the New Orleans Cotton Exchange they advanced 3 points, closing at 12.60¢.

Closing prices on 92 score butter: New York 51 1/2¢; Chicago 50 1/2¢; Philadelphia 53¢; Boston 49¢.

Grain prices quoted Nov. 24: No.1 dark northern Minneapolis $1.37 to $1.41; No.2 red winter St.Louis $1.37. No.3 yellow corn at Chicago 71¢; St. Louis 73¢; Minneapolis 74¢; No.3 white oats Chicago 42¢; St.Louis 44¢; Minneapolis 41¢. (Prepared by the Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXIII, No. 49 Section 1 November 27, 1926.

MUSCLE SHOALS ACTION URGED A recommendation that the Government promptly start its Muscle Shoals plant in order to produce fertilizers and thus lower the cost of raising farm products, was made at the White House yesterday by O. E. Bradfute of Ohio, former President of the American Farm Bureau Federation. Mr. Bradfute hopes the President will mention it in his forthcoming message to Congress. He told the President that the farm problem is due largely to excessive production costs and that a solution is Muscle Shoals...He suggested a private corporation under lease, but that if this could not be done because of the opposition in Congress the Government should begin work at once. He said the investment at Muscle Shoals is primarily to serve agriculture, with power and nitrates as by-products of secondary importance. As to the distributing end of agriculture Mr. Bradfute said it could be served by inland waterway improvement and a more extensive program of road building.(Press, Nov. 27.)

IOWA BANKS CLOSE An Associated Press dispatch from Des Moines to-day says: "Business men and farmers of Palo Alto and Kossuth Counties left their own affairs yesterday and joined forces with officers and employes of nineteen banks in a canvass of depositors designed to bring forth enough time waivers on deposits to permit the institutions to reorganize and resume business. The banks were closed yesterday by agreement in an effort to halt what was termed unwarranted withdrawal of funds that threatened disaster.... The closed banks include twelve under State charter, six national and one private institution. Their directorates decided upon the simultaneous closing when a general anxiety on the part of depositors developed over the recent closing of a string of banks in Clay County."

FRANCE CUTS BREAD PRICE A Paris dispatch to the press to-day says: "The price of bread, which in France is a sort of barometer of the cost of living, will be reduced 15 centimes on each two-pound loaf beginning Dec. 2,following the marked improvement in the value of the franc. Instead of costing 2 francs 60 centimes a loaf, it will cost 2 francs 45 centimes. A drop in the price of wheat preceded the reduction in bread prices."

COTTON FOR ARGENTINA Alfredo P. Stuart of Buenos Aires, who is textile selling agent for Kuhn,Bada & Cia.,and who came to New York City in the interest of his firm, has made his first trip to the United States to arrange with an American cotton firm to export to the Argentina. His company gets rayon silk from Italy and yarn from Belgium, he says, but has not so far been able to buy satisfactory cotton outside the United States. Cotton is raised in the Argentine, according to Mr.Stuart, but the growers have not been able to standardize their product as have the American planters. Nowhere in the world, he says, can more closely defined varieties be obtained. (Press, Nov.27.)

Section 2

Cotton Acreage Trends

An editorial in Southern Cultivator and Farming (Atlanta) for November 15 says: "Texas and Oklahoma are responsible for the large increase in cotton acreage in recent years. Their range lands are going to cotton at a rapid rate. With level land and improved machinery two or three times as many acres are handled per man unit as in the Southeast. Production cost is low. But acre yields are low due to the limited rainfall of that region. Cotton prices have fallen in recent years chiefly because of the large increase in cotton production and this increase is to be charged mainly to the semi-arid West. What is the southeastern farmer going to do about it? Can he successfully buck against Texas and Oklahoma farmers? What are his chances? In the western Cotton Belt more cotton per man is produced than in the Southeast, but more per acre is obtained in the Southeast than in the West. Which is the stronger contender in the fight for supremacy--acre returns or returns per man? Which will win, the intensive methods of the East, or extensive methods of the West?...The man who will lose out first in cotton production is the one who is hurt most when a cotton crop fails or when cotton prices fall to an unprofitable level. The man who is hurt most is the one who has depended wholly on cotton, and the man who is hurt least is the man who has supplemented his cotton with other cash crops; who has grown food and feed crops and livestock. Can the cotton grower on the semi-arid plains supplement his cotton with other cash crops; can he grow food and feed crops and have as well balanced a type of farming as the southeastern farmer? He can not, and therein the southeastern farmer has an advantage....In a word, less acres to cotton, more per acre, and a balanced system of agriculture will make the southeastern farmer unconquerable as a cotton producer."

Europe's War Debt

An Associated Press dispatch from Berlin yesterday says: "American tourists, in the opinion of Jacob Gould Schurman, virtually pay Europe's war debt to the United States. Just returned from America to his post as Ambassador to Germany, Mr. Schurman was the chief speaker Thursday night at the Thanksgiving dinner of Berlin's American colony. American tourists, he declared, left $1,000,000,000 annually in Europe. Besides this, America was willing to accept forty cents on the dollar on the amounts owed by foreign nations. This meant that of the $11,500,000,000 loaned America demanded back only $7,000,000,000."

Instalment Buying

An editorial in The New York Times for November 23 says: "Senator Couzens discerns in the spread of 'deferred-payment' consumption a menace to the national welfare. Instalment buying, he thinks, undermines initiative, ambition and energy. Speaking before the Academy of Political Science last week, Professor Seligman declared that opinions on the subject are 'more or less unconscious reactions of benefits or injuries received.' This rule does not hold for Senator Couzens, whose fortune was derived from the automobile business, in which, according to Professor Seligman, instalment buying has been a notable success. The severest criticism of the new marketing has come from business men not expected to look beyond the immediate stimulation which instalment buying provides. The strongest defense of the new practice has been made by economists, not easily lured into approving a dangerous innovation. Even the defenders of the

new system do not deny its abuses, actual and potential....Once it is accepted that instalment-bought commodities are to be translated into increased productivity, it is not difficult to follow Professor Seligman in assimilating this kind of credit to credit in general. The business man commands credit because of the belief that it will be devoted to the creation of new wealth. The wage earner and salaried man are now, apparently, to be permitted to finance through instalment credit their own special capacities...."

Paish on Economic Situation

Sir George Paish, British economist and expert on foreign exchange, is the author of an extensive article entitled "Is America Approaching the end of its great Trade Expansion?" in The Magazine of Wall Street for November 20. He says in part: "The maintenance of American prosperity is of great, indeed is of vital, importance to Europe from many points of view. At the immediate moment the most important is the ability of America to continue to grant credit, both banking and investment in sufficient amount to enable the European nations to purchase the supplies of food and raw material they need for the sustenance and employment of their peoples. With Russian food supplies still lacking and with Rumanian supplies small, Europe needs to purchase greatly increased quantities from the United States and Canada. Were the Russian and Rumanian supplies available in pre-war quantities Europe would have no difficulty in paying for them by means of exports of her manufactures and in services of one kind or another but with the pre-war level of supply no longer available Europe must purchase from the United States and Canada, whose crops have increased, while the Russian and Rumanian crops have declined. To purchase from America and Canada, however, involves credit which American bankers and investors have hitherto been both able and willing to supply. But were America's prosperity to disappear, American bankers and investors might neither be able nor willing to supply the credit so essential to the purchase by Europe of American products of prime necessity in which case the peoples of the food importing nations of Europe would be subjected to great distress. But this is not the only danger to Europe of a collapse in American prosperity. America at the present time is buying vast quantities of sugar cane, raw silk, rubber and coffee and these products constitute a large portion of her imports. Were her prosperity to decline and were she unable to buy so many of these luxuries or semi-luxuries, Europe would experience still greater difficulty in paying America for her foodstuffs and raw materials as America takes payment from Europe of no inconsiderable portion of her exports to Europe in these tropical or semi-tropical products. If it be borne in mind that Europe needs to buy over 50% of all the produce America has for sale abroad, that America buys from Europe only one-half of the amount she sells to Europe notwithstanding Europe's indebtedness to her, the serious consequence to Europe of any great reduction in America's purchases of tropical and other products, which her prosperity permits her to buy will clearly be in evidence to the world."

An editorial in the same issue comments upon the above article as follows: "This remarkable and extremely penetrating analysis of the American economic situation by one of the world's foremost economists, reveals our potential strength and weakness. Of the highest significance is Sir George Paish's statement that America has almost reached the limit of her credit resources, a fact only appreciated by bankers and financiers but not generally known to the public...."

Rubber Surplus The press of November 22 reports: "Imports of rubber in November will be greater than the average of consumption for the first ten months of this year, F. R. Henderson, president of the Rubber Exchange of New York, said November 21. Coupled with the fact that consumption of reclaimed rubber is now more than 50 per cent of the amount of crude being consumed, this was taken to indicate that American manufacturers will have an ample supply for several weeks. It also was regarded as in part an explanation of the decline of two cents in the near months in the last week."

Section 3
MARKET QUOTATIONS

Farm Products November 26: Chicago hog prices closed at $11.90 for the top, bulk of sales being steady at $11.25 to $11.75. Better grades of beef steers showed some price improvement, upturns amounting to 25¢ to 60¢. Heifers were mostly steady, cows unevenly 25¢ higher to 15¢ lower, and heavy calves steady. Vealers were steady to 50¢ higher, while stockers and feeders ranged from 25¢ higher to 25¢ lower. Fat lambs advanced 50¢ to 70¢ and fat ewes 25¢. Yearling wethers and feeding lambs were steady to 25¢ higher.

Maine sacked Green Mountains ranged $2.90 to $3.15 per 100 pounds in Eastern markets. Shippers asking $2.40 for bulk stock f.o.b. Presque Isle. Northern sacked Round Whites $2.25 to $2.50 carlot sales in Chicago; $2.15 to $2.30 f.o.b. New York Danish type cabbage firm at $20 to $23 bulk per ton in most eastern cities; $15 to $16 f.o.b. Rochester. New York and midwestern yellow varieties ranged $1.50 to $1.90 sacked per 100 pounds in leading consuming centers; $1.50 to $1.70 f.o.b. New York Rhode Island Greening apples, steady at $2.75 to $3 per barrel in New York City; Baldwins $2.50 to $2.75.

Closing prices on 92 score butter: New York 52¢; Chicago 51¢; Philadelphia 53 1/2¢; Boston 50¢.

Average price of Middling spot cotton in 10 designated markets advanced 2 points during the week, closing at 12.29¢ per lb. December future contracts on the New York Cotton Exchange advanced 11 points, closing at 12.64¢ and on the New Orleans Cotton Exchange they advanced 1 point, closing at 12.58¢.

Grain prices quoted Nov. 26: No.1 dark northern Minneapolis $1.39 to $1.44. No.2 red winter Chicago $1.38; St.Louis $1.38. No.2 yellow corn Chicago 73¢. No.3 yellow corn Chicago 72¢; St.Louis 72¢; Minneapolis 75¢. No.3 white oats Chicago 42¢; St.Louis 44¢; Minneapolis 41¢. (Prepared by the Bu. of Agr. Econ.)

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Vol. XXIII, No. 50 Section 1 November 29, 1926.

BUSINESS MEN ON AGRICULTURE

Announcement was made last night of the acceptance by Charles Nagel of St.Louis of the chairmanship of the Business Men's Commission on Agriculture, now being formed by the National Industrial Conference Board and the Chamber of Commerce of the United States to protect the "permanent national interest in a sound and prosperous agriculture." Mr. Nagel, a former Secretary of Commerce and Labor and a native of Texas, will head the commission in a study of the farm situation with a view to formulating a national program for cooperation of all economic groups in the interest of agriculture. Other members of the commission will be announced soon. "The relation of agriculture to industry, to commerce, to foreign trade and to transportation and finance," said a joint statement issued by the two organizations, "must be thoroughly studied if a well-balanced, national, economic development is to be assured for the future." (Press, Nov. 29.)

The Associated Press to-day reports: "A warning that failure to enact farm relief legislation might result in a disturbance of the political complexion of the Nation was made last night by Representative Dickinson, of Iowa, in protesting against the action of the National Industrial Conference Board and the United States Chamber of Commerce in forming an agricultural fact-finding body. Mr. Dickinson was disposed to believe that the joint commission 'is not to get more information, but to filibuster against passage of a genuine farm relief bill at the approaching session of Congress.'....."

HOOVER REPORTS PROSPERITY

Overcoming the great losses caused by the World War, the United States during 1926 attained the highest standard of living in its history or in the history of most other countries, Secretary of Commerce Herbert Hoover declared in an economic review of the twelve months ended June 30. Made public yesterday, the economic review forms part of the annual report to be submitted to Congress in December by the Commerce Secretary. On the basis of the past fiscal year Mr. Hoover paints a picture of unparallelled prosperity throughout the country despite some "sore" spots in the economic structure. He also stresses some encouraging economic developments of recent months. "The fiscal year 1925-26," Mr. Hoover said, "has been one never surpassed in our history in the volume of production and consumption, in the physical quantity of exports and imports, and in the rate of wages. There has been practically no unemployment. Further progress has been made in the efficiency of management and labor and in scientific research and invention. As in the preceding year, there were a few points where conditions were less satisfactory, as in the New England textile industry, two or three sections of the agricultural industry and the bituminous coal industry. (Press, Nov. 29.)

THE COTTON ESTIMATE

A New Orleans dispatch to-day says: "....While traders are disposed to accept the Government's forecast as a possibility, there are many who still think that the figures will not be reached. One of the reasons for thinking so is that a good deal of the low grade cotton still in the fields may not be picked, with prices at current levels, owing to the cost of picking and ginning...."

Section 2

Cotton Crop Increase

The Wall Street Journal for November 25 says: "Another surprise was given the cotton trade in the official estimate of November 22, which placed the indicated crop at 18,399,000 bales. The crop now is 2,264,000 bales greater than the previous record of 1914. The effect of this enormous production will be of far-reaching importance in the cotton business and is likely to have a considerable bearing upon the actions of the cotton farmers of the South. From the farmers' viewpoint, this huge crop is undesirable, for they will not get from it the amount of money they were expecting when they planted. The average price of middling white cotton in the ten southern spot markets is officially stated to be 11.96, against 19.85 a year ago and 23.22 two years ago. If all the cotton were of white middling grade, which it is not, it would bring approximately $1,000,000,000, with freight paid to the concentration markets. The crop last year brought the farmers $1,450,000,000. They have not "lost' the difference, but will receive that much less than what they hoped for at planting time. Consumers will look upon this great crop with natural enthusiasm. The carryover and the crop together make a total supply of about 23,500,000 bales of American lint. This would be fully 60 per cent more than the consumption of the previous season. Selling in the southern spot markets at under 12 cents, where a year ago it sold for almost 20, and about 23 the preceding year, it certainly is an opportunity for the spinners. That consumption of cotton will be greatly stimulated seems a reasonable conclusion. Extravagant ideas are now prevalent as to the increase in the consumption, but it certainly should be considerably above that of a year ago. Perhaps the greatest effect should be upon the exports. It is to be taken as a matter of course that foreign users will lay in large supplies of this cheap cotton. Even the users of the cheaper Asiatic cottons will find an opportunity here in our great supply. Some of the lower grades of our cotton are selling from 350 to 500 points below the white middling basis. No one using cheap cotton could ask a better opportunity than this. But the cotton that goes into export will not all be consumed. A large part of it must remain in warehouse, to be consumed in the following or later seasons. This, too, must have some effect upon the price of the following year. Disappointment will automatically reduce the 1927 acreage."

Cotton in Export Trade

An editorial in The Wall Street Journal for November 23 says: "There has been some speculation as to the reason for the decided drop in merchandise exports in October compared with a year ago. The official details are not yet published, but it can be safely assumed there is nothing in the situation to indicate any lessening of demand for products of our manufacture. The whole situation seems to rest with raw cotton. Total of merchandise exports in October is officially given at $457,000,000 against $490,609,000 a year ago, which means a decrease of $33,000,000 in October of this year. Cotton is the biggest item in our export trade and in October, 1925, the exports amounted to 1,421,482 bales. This year they were 1,369,820, a decrease of 51,662 bales. The value of the exported cotton in October, 1925, was $176,184,000. How much it is this year is not yet officially stated....Apparently, the drop in cotton, if not offset by other commodities, would have dislocated our foreign trade far more than $33,000,000. In fact, instead of having an export balance we would

have been on the other side of the ledger. This fact should be sufficient to assure that there is no material slackening thus far in foreign demand for our products. We are shipping cotton at a greatly reduced price. What effect this low price of cotton will have on our trade balance is a moot question. The price is less than half what it was a year ago and it would seem as if foreign buyers would lay in larger stocks in anticipation of a greater demand for goods. Undoubtedly this will be done. But will they buy enough at the reduced price to balance the exports of a year ago at a higher price? This is matter of opinion. There is also the plan of taking 4,000,000 bales from the market for another year, and the efforts to reduce acreage in 1927. How far these plans will be carried is yet uncertain and they, therefore, confuse the situation. It is certain that thus far the low price had not stimulated exports and the November total will be less in value than a year ago. It seems a fair inference that, for a few months at least, cotton will not bulk quite so large in the export trade."

Dairy Advertising

An editorial in The Pacific Rural Press for November 20 says: "Pursuing the thought that if the dairy interests would do a modest amount of advertising of the butter, bottled milk, cream, ice cream and cheese produced in this State (California) they would not find themselves in the position of being stepchildren in the city newspapers while a foreign substitute is the favored child, one comes to some rather interesting and impressive facts to back the thought. Let's start with butter, which recently received the cold shoulder of the city press of the State. One butter concern of this State spends approximately a half-cent a pound for the purpose of advertising butter. If this advertising allotment were made on all the butter churned in the State, the total advertising fund would be about a third of a million dollars a year. If only a quarter of a cent a pound were spent in this way the total value of butter in advertising dollars would be $180,000...Suppose one-fourth cent a gallon, or one-sixteenth of a cent a quart, had been spent telling the story of the goodness of milk. The result would be $250,000--a quarter of a million dollars. Apply the same rule to ice cream. Spend only a quarter of a cent for every quart of ice cream, and you have $120,000 to add to the dairy advertising fund. Buttermilk at a quarter of a cent a gallon would add $5,000 to the fund. Cheese at the same allotment per pound would spend $20,000. Cottage cheese at half the rate could add $10,000 more. Cream about $15,000. There are other important dairy products, but if we confine ourselves to these products which are most commonly offered to the consumer, we may add up our various sums and get a grand total of $580,000. A half-million dollars, spent in advertising, is no inconsiderable educational force. It might educate some home newspapers regarding a home product. But the real purpose of such sum, or any part thereof, is to educate the public to appreciate the goodness and palatability and digestibility and health-ability of dairy products....."

Florida Marketing

An editorial in Florida Times-Union for November 25 says: "Florida farmers, truckers and fruit growers included, are providing increasing evidence that they are seriously interested in practical marketing, and that they are making commendable efforts in the line of making use of business methods in this important branch of their

industry.....The farmers, truckers and fruit growers, especially, have found the railroads more than willing to cooperate with them in the matter of orderly marketing. Wherever this has been established the railroads have provided reasonably necessary loading facilities and have performed valuable services in the way of expeditious shipments from loading stations to various points of delivery, and thus have done very much to make better marketing possible and profitable....It has taken a long while for Florida growers of vegetables and other farm products to become convinced that proper marketing is a very important branch of their business. But they are learning that by working in combination, and especially in the matter of marketing, as a group or association, they get far better financial results for their labor, involved in production. In very many lines of Florida agriculture it is to be noted that there is more of orderly marketing than ever before. The citrus fruit growers were probably the first to market their products systematically and on a business basis. Now the same thing is being done in Florida in other lines of agricultural enterprise. Poultry and eggs now are being sold to better advantage, both to the poultry and egg producers and to the poultry and egg consumers, than at any time in the past. The same may be said with reference to farm products generally, including vegetables of every description, and even cotton and tobacco."

Labor Shifts in New England

An editorial in The New York Times for November 26 says: "Closing of mills in the town of Ware, Mass., is symptomatic of a change which has long been taking place in New England. This is not the first instance of mills shutting down in order to remove to the South, nearer the source of raw material, and where labor can be had cheaper. The trend has been evident for a dozen years, and has alarmed thoughtful economists in New England. They are still in doubt whether the decline in the textile industry in New England is permanent. Proximity to markets and a ready supply of skilled labor may cause a revival....It is not inconceivable that a continued transfer of New England's larger mills to the South would stimulate the 'back-to-the farm' movement. It would also encourage the development of small manufacturing...This in itself will involve a readjustment in the economic activities of New England. Her geographical isolation from the rest of the United States and her poverty in raw materials place a special premium on her supply of skilled labor. This she has in abundance."

Molasses Corner

The Journal of Commerce for November 26 says: "That there is an actual attempt being made to corner the molasses market by certain molasses interests is the charge made by distributers of and dealers in molasses. It is said that these interests have bought up control of the molasses available and through this means seek to boost prices beyond a normal level. It is reported that, in fact, these forces in question are chiefly responsible for the present high quotations and are asking 7½c to 8c a gallon when 6½c and 7c is considered to be a fair price. The motive behind this move is said to be due to a desire on the part of these interests, representing a corporation, to pull the company out of a hole dug several years ago when it entered into a five-year contract at around 6c a gallon for Santo Domingo molasses. ...."

Section 3

Department of Agriculture

In an editorial on an interview on the cotton situation granted November 27 by Secretary Jardine to John Monroe, a cotton farmer, and reported over the radio, The Washington Post to-day says: "Cotton growers who own radio sets had the opportunity to learn from the lips of Secretary Jardine himself just what he considers to be the best settlement of the question as to 'what ails the cotton market.' Mr. Jardine was talking in his office in the Mall to a representative cotton farmer. There was a microphone present, and the whole Cotton Belt had an opportunity to 'tune in.'....An hour's talk of this kind from a man who knows his subject will accomplish more than a ton of literature and a mile of statistics. The cotton planters of the South, owners and renters, will do well to heed the advice of the Secretary of Agriculture."

Section 4

MARKET QUOTATIONS

Farm Products

For the week ended Nov. 27: Livestock quotations at Chicago: Top price on hogs steady with last week, bulk of sales holding about steady. The pre-holiday advance in weighty steers was lost as the week closed. Compared with a week ago trade closed 25¢ higher with very weak undertone. Yearlings and light heifers closed 25¢ to 50¢ higher. Cows were steady to 25¢ higher, the better grades showing advance. Bulls and stockers and feeders closed steady with vealers $1 higher than a week ago. Fat lambs showed an advance of 5¢ to 75¢ and yearling wethers were 50¢ higher. Feeding lambs declined 25¢. New York wholesale fresh meat market on western dressed good grade meats is 50¢ to $1 higher, veal steady, lamb $2 higher, mutton $1 lower, light pork loins $1 to $1.50 higher, heavy loins $1 to $2 higher.

Fruits and Vegetables - Potatoes firm. Maine sacked Green Mountains closed at $3-$3.15 per 100 pounds in eastern markets; bulk stock $2.35-$2.40 f.o.b. Presque Isle. Northern sacked Round Whites $2.25-$2.50 carlot sales in Chicago. Virginia yellow sweet potatoes 25¢-75¢ higher per barrel in most eastern cities. Onions fairly steady. New York and Midwestern yellows ranged $1.50-$2 sacked per 100 pounds in consuming centers; $1.50-$1.70 f.o.b. New York Rhode Island Greening apples steady at $2.75-$3 per barrel in New York City. Michigan and Illinois Jonathans $4-$4.50 in Chicago.

Average price of Middling spot cotton in 10 designated markets declined 9 points during the week, closing at 12.19¢ per lb. December future contracts on the New York Cotton Exchange advanced 4 points, closing at 12.58¢ and on the New Orleans Cotton Exchange they declined 12 points, closing at 12.47¢.

Hay in good demand for desirable hay held market firm. Receipts moderate. Dairy hays good demand. Southern consuming markets dull, improved inquiry due to increasing forage supplies.

Feed market averaging steady. Mill feeds firm with offerings hardly equal to current needs. Linseed meal firm in central western markets but draggy in East. Cottonseed meal barely steady in producing sections. Gluten feed prices advanced for January shipment but December quotations unchanged.

Butter markets were firm during the week with prices having advanced ½c-2½¢ during the week. Trade was fair at the close except on centralized cars which were reported as slow sale. Additional lots of foreign butter are reported bought and some have arrived and others are afloat. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXIII, No. 51 Section 1 November 30, 1926

TREASURY SEEKS FARM BANK CONTROL

According to the press to-day, Secretary Mellon announced yesterday that the Treasury would ask Congress in December for legislation designed to close loopholes in the Federal Farm Loan act which have made possible activities by a number of the joint stock land banks of great concern to the Government. The report says: "Request by the Treasury for legislation permitting stricter control of the land banks may head off a Congressional investigation of the supervision of these institutions by the Federal Farm Loan Board. Rumors concerning activities of some land banks circulating throughout the country in recent months have forecast Federal action of some kind. The Treasury, it is understood, will seek to fix responsibility for supervision of these institutions definitely upon that department. Loose drafting of the act has resulted in long-drawn-out differences between the Federal Farm Loan Board and the Treasury as to which agency was charged with responsibility for supervision of the banks....."

LIVESTOCK SHOW HONORS

An Associated Press dispatch from Chicago to-day says: "For the fifth time national corn-growing honors have been awarded to a member of the Lux family of Shelbyville, Ind. Twelve-year-old Thomas J. Lux was crowned 'Junior Corn King of America' at the International Live Stock Exposition yesterday, a title won previously by his two brothers, Frank and Maurice, and a cousin, Victor M. Lux. Thomas's father, Peter J. Lux, twice held the title of 'Corn King.' Canada regained its laurels when Herman Trelle of Wembley, East River, Alberta, won the wheat sweepstakes and title of 'Wheat King of North America.' Only twice in sixteen years has Canada failed to capture the title. L.P.Yates of Fishtail, Mont., won last year. Canada also repeated past victories in the seed classes, the University of Wisconsin being the only exhibitor to give the Dominion a race."

IOWA BANK SITUATION

A Des Moines dispatch to the press of November 29 says: "Success of the drastic measures authorized by the Iowa State Banking Department Friday, when nineteen banks in Kossuth and Palo Alto Counties closed their doors for reorganization, appeared to be assured November 28. Three of the closed banks reopened for business Saturday and several others will resume operations Monday."

A dispatch to-day says: "Bringing the number of banks affected within the past four days to twenty-four, five banks in O'Brien and Sioux Counties were carrying on reorganization work yesterday with the object of assuring the continuance of banking service in their communities. Three of the banks proceeded without suspending business, while the other two will be closed until Tuesday or Wednesday....Six of the nineteen banks which closed last Friday have resumed operations, 80 per cent or more of their depositors having signed the time waivers. Most of the others are expected to reopen Thursday."

Section 2

Agriculture and Business

Theo. H. Price, in his weekly review of business conditions in Commerce and Finance for November 24, says: "Thus far the recent decline in cotton and the weakness that wheat, corn and hogs showed last week are the only definitely adverse price movements that are to be noted. They can not be properly regarded as symptomatic of any general depression, but for political reasons their significance may be misinterpreted, and from what was said at a meeting of the farm leaders held in St.Louis last week it seems almost certain that Congress will be insistently urged to adopt some radical measures for the relief of the farmers. At the meeting referred to eleven grain and six cotton States were represented and the coalition of the agricultural West and South so effected is too powerful to be ignored. That the farmer is and has been at a great disadvantage under our present economic system is undeniable, and that something must now be done for his protection is generally admitted. But the trouble is that some of the farmers' friends insist that his protection means less protection for the manufacturers who supply his needs and that the rival claims of each group have created a political impasse from which egress is difficult. Therefore, it is not too much to say that the immediate future of business in the United States is largely dependent upon the tact and economic discernment with which the agrarian issue is met. If it can be satisfactorily disposed of, we ought to have stability and prosperity for as far ahead as it is safe to look, but if it is fumbled, the prophets of reaction may be vindicated."

Anglo-German Economic Parley

The Associated Press of November 29 reports from London: "British and German industrial and financial leaders, who held a conference at Romsey early in October, will meet again in London next Friday and Saturday, the Westminster Gazette says. It is understood the Germans will urge the necessity of Great Britain joining with Germany in the formation of world trade combines in order to meet American competition and also will urge the removal of all trade restrictions between the two countries. The Germans are expected to contend that unless they are able to increase German exports greatly they can not meet the obligations of the Dawes reparation plan."

Apple Varieties

Almost 500 new varieties of apples, some of which may fill a need not being filled by any of the present existing varieties, are in the making in the experimental orchards of the College of Agriculture at the University of Illinois, where C. S. Crandall, chief of plant breeding, is conducting extensive apple-breeding experiments. Just as soon as the trees of these potential new varieties are old enough for fruit production, a final weeding out will be made and those varieties that are worthy will be named and distributed.(Press, Nov. 26.)

Cotton Exports

An editorial in The Journal of Commerce for November 29 says: "The Department of Commerce in Washington has just made public a set of figures that include the amount of cotton exported from this country during the month of October. During that period of time we shipped to foreign peoples virtually 1,370,000 bales, or only about 50,000 bales less than went abroad during the very active month of October, 1925, and that despite the fact that in marked contrast with

last year the crop was late this season and notwithstanding adverse shipping conditions. The month of November is making a much better showing. During the week ended November 19 we shipped just a little less than 475,000 bales, as compared with less than 196,500 bales in the corresponding week of last year. If we had a complete and timely record of domestic purchases and shipments, we should with the two sets of figures have a more or less complete explanation of the late steadiness of cotton prices. This is a matter of some importance in view of the repeated statements to the effect that financial aid from Washington has served to hold values steady. Demand for cotton and not the grant of exceptional credit is the cause. Let there be no mistake about that fact."

Cotton Futures Legislation in Georgia

An editorial in The Wall Street Journal for November 29 says: "For a grand jury to return an indictment against a man charged with an infraction of the law relating to cotton futures, and then to make an indictment of the law seems strange. Yet this has been done in a Georgia case. The man has been convicted under the law. The crop situation makes reasonably sure that the indictment of the law will have to be tried in the court of public opinion. B. L. Layton, a cotton broker of Atlanta, representing a New York Stock Exchange and New Orleans Cotton Exchange firm, was indicted charged with violating the law of 1906 against dealing in cotton futures. There was no implication of any wrong done anybody. He had simply dealt in futures which, under the law, was forbidden. The grand jury could see nothing else to do but return an indictment. But it felt the injustice of this procedure and issued the following statement: 'We urge the Georgia Legislature at its next session to make such changes in the laws of the State as will permit and make legal bona fide trading in future contracts for cotton and other commodities but which will at the same time maintain the present stringent laws in regard to the so-called bucket shop. The business interests of this country and of this State are suffering because of the fact that the law does not make clear distinction between legitimate business and gambling. These interests will continue to suffer until proper laws are passed protecting necessary and proper business transactions and punishing those transactions which are carried on for gambling purposes.' It is evident that the framers of the law under which this indictment and conviction were obtained wished to drive bucket shop gambling out of the State. For this they were to be commended. But in framing a law good intentions alone will not suffice. A technical knowledge of the subject is essential. This they lacked; they seemed utterly ignorant of exchange transactions, and drew no distinctions between business in good faith and gambling. The result is that a business man, helping to make a market for cotton, has been sentenced to a fine of $1,000 and one year in prison without even the accusation of bad faith against him. The statement of the grand jury indicting this law shows that they sensed its injustice and the harm likely to flow from its enforcement....Georgia must do one of two things; act upon the recommendations of the grand jury or else restrict the market for its own cotton."

Crop Limitation

An editorial in The Commercial and Financial Chronicle for November 27 says: "....At best, then, as a general principle, only a partial limitation of any one crop is possible. We do not regard it as feasible, either by cooperative agreement or by legislative enactment. The latter is abhorrent to liberty. The farmer is subject to the vicissitudes of life, to the possibilities and even probabilities of personal disregard, and to the larger control of nature. And it is clearly not expedient in the light of the world's needs. We boast as a people of our agricultural self-sufficiency. We can grow all we need for our own consumption. Our interior valleys constitute one of the richest empires of the globe, capable of sustaining several times our present population. We agree that world surpluses control price. But of what avail to control alone our own surplus without control by agreement the surpluses of other States and domains. To voluntarily lessen our own surplus in the face of scarcity abroad is certain to lessen income. Why take the chance?....."

Farm Labor

Commenting upon the work of the farm labor division of the United States Employment Service, Secretary Davis says: "The big Wheat Belt extending from Texas north to Canada and west to the Pacific, embracing a territory of approximately 70,000,000 acres of wheat and similar grains, presents an interesting problem in meeting the requirements for help needed to harvest the crops at just the proper time. During the year reported the harvesting of cotton, particularly in Texas, presented many intricate and difficult problems. In more than 50 burnt-out east-central Texas counties the cotton crop was a failure. In the great cotton sections of Arkansas, Louisiana, and Mississippi there was a shortage of cotton pickers. Requests by telephone, telegraph, and letter were made upon this service, and the unemployed cotton pickers in the Texas drought area were transferred to the sections in Arkansas, Louisiana, and Mississippi where they were needed....The number of laborers handled by the farm labor division for various kinds of emergency work, as well as general farm placements, will total nearly 400,000."

Farm Needs

An editorial in The Indiana Farmer's Guide for November 27 says: "....We attended the recent conference at Indianapolis which was called by the United States Chamber of Commerce for the purpose of finding out from farmers themselves the present condition of agriculture in Illinois, Ohio, Indiana and Michigan. The farmers present were unanimous in painting a gloomy picture of farm conditions, and they left no doubt in the minds of any listener as to what they think is the cure for their troubles. Among the subjects listed for discussion were credit, taxes, labor, production costs, diversification and tariffs, but very little was said on any of these topics. A speaker would begin to talk on diversification, for instance, but invariably he would end up with a stump speech in favor of the Haugen bill or similar legislation. The meeting was supposed to be a fact-finding conference; but few facts were presented. The delegates were there admittedly with an ax to grind. They want special legislation for the farm. Whether it is price fixing or not, and whether or not it will raise the cost of living, these delegates told the world in no uncertain terms that the farmer is entitled to it. They pointed out that the high tariffs have protected infant industries, and that special legislation has given the public utilities the opportunity to earn big dividends. They maintain that now it is the farmer's

turn. The conclusion is inescapable. The farmers of the Middle West know what they want. They have stated definitely that they want legislation, and that they will be satisfied with nothing else. We do not profess to know whether the legislation they want is good or bad, or what it will lead to; but when representative farmers, such as attended the Indianapolis conference, speak with such complete accord, concerning the troubles that beset them and the remedies therefor, Congress and the administration can not well ignore them."

Section 3
MARKET QUOTATIONS

Farm Products Nov. 29: Livestock quotations at Chicago. Top price of hogs at $11.90 and bulk of sales at $11.25 to $11.85.

Eastern potatoes higher. Maine sacked Green Mountains $3-$3.35 per 100 pounds in eastern cities. New York Round Whites $2.80 in New York City and $2.55 f.o.b. Rochester. New York Rhode Island Greening apples $2.75-$3 per barrel in New York City and $4-$4.50 in Chicago. Pennsylvania Grimes $2.75-$3 in eastern cities. Michigan and Illinois Jonathans $4-$4.50 in Chicago. New York yellow onions $1.75-$2.25 sacked per 100 pounds in eastern markets. Midwestern stock $1.50-$2.25 in consuming centers. Cabbage, New York Danish type $20-$27 bulk per ton in leading markets; $16-$17 f.o.b. Rochester.

Average price of Middling spot cotton in 10 designated spot markets declined 6 points, closing at 12.13¢ per lb. December future contracts on the New York Cotton Exchange declined 2 points, closing at 12.56¢, and on the New Orleans Cotton Exchange they declined 2 points, closing at 12.45¢.

Closing prices on 92 score butter: New York 53¢; Chicago 52¢; Philadelphia 54¢; Boston 51¢.

Closing prices at Wisconsin primary cheese markets Nov. 27th: Flats 24¼¢; Single Daisies 23¾¢; Longhorns 24½¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.39-$1.43. No.2 red winter St.Louis $1.38. No.2 hard winter Kansas City $1.35-$1.39. No.2 yellow corn Kansas City 78¢. No.3 yellow corn Minneapolis 74¢; St. Louis 72¢. No.3 white oats Minneapolis 41¢; St. Louis 44¢; Kansas City 45¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Nov. 29,	Nov. 27,	Nov. 28, 1925
	20 Industrials	155.93	156.43	151.78
	20 R.R. stocks	117.80	117.95	107.16

(Wall St. Jour., Nov. 30.)

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DAILY DIGEST

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Vol. XXIII, No. 52 Section 1 December 1, 1926.

FARM RELIEF LEGISLATION

The press to-day reports: "A conference was held in the Senate agricultural committee room yesterday to discuss the farm relief situation. In addition to Senator McNary of Oregon, who will be the new chairman of the committee, those in attendance included members of the Senate farm bloc and the representatives of farm organizations. After the conference, the salient features of the McNary-Haugen measure remained intact, with provision for an appropriation of $250,000,000 to be used to set up a Federal organization to export surplus wheat, corn, swine, cotton and rice, with the cost charged back to the producers in the form of equalization fees. Representatives Tilson and Garrett, floor leaders, respectively of Republicans and Democrats in the House, said they were uncertain just what might be expected from the House farm bloc in the way of farm relief proposals. Mr. Tilson said he was prepared to give a receptive ear to the subject and Mr. Garrett summed up his views by saying he 'imagined' House leaders would 'insist that before any bill is brought to the House,' it must have back of it a majority of the agricultural committee."

COTTON RATES

The press to-day reports that a general investigation into freight rates on cotton moving to practically all destinations was ordered yesterday by the Interstate Commerce Commission. A conference to complete arrangements for it was called to be held in New Orleans, Dec. 17. A large number of complaints by cooperative producers of cotton and by cotton shippers generally as to rates are now pending, the commission's announcement said, and in addition a Congressional joint resolution has required a general survey of freight rates upon agricultural enterprise. The large area of the country involved and interested in cotton makes it desirable, the commission held, for a general proceeding to be started.

LIVESTOCK SHOW HONORS

The press to-day reports from Chicago: "Rupert B., a pure bred Hereford steer, won the grand championship beef animal award, the greatest honor in cattledom, at the international livestock exhibition yesterday. The white-face champion, owned by the Oklahoma A. and M. College at Stillwater, Okla., weighs 965 pounds. The new champion is not only the youngest animal that has ever carried away the great prize but he was declared winner in the greatest baby beef show ever held. He is less than a year old, having been born January 4, 1926, and handled for the show by Curley Ives, the chief herdsman of the Oklahoma school's livestock farm. ....Canada again came in for her share of glory yesterday. Herman Trelle, the 1926 wheat king, won the oats sweepstakes. George and L. C. Hutzler, of South Manitou Island, Mich., won the rye sweepstakes on a specimen of the famous Rosen rye. The island is 10 miles off the mainland in Lake Michigan, near Traverse City. For the third time Peter Lux, of Shelbyville, Ind., was made corn king of America. Thomas, his 13-year-old son, was made corn prince Monday....."

Section 2

Ayres Makes Business

Col. L. P. Ayres, vice president of Cleveland Trust Co., writing in Commerce and Finance for November 24, says: "Despite excellent current reports for industrial output and transportation activity, and despite the clear prospects that the holiday trade of this year will be the best in our history, the evidence is beginning to accumulate showing that the causes making for less good business conditions are already operative. Industrial profit margins are rapidly narrowing. Earnings and profits of manufacturing will be greater in 1926 than ever before, but the statements now available covering the operations of the third quarter closely indicate that the exceptional industrial prosperity of the first and second quarters was by no means fully continued in the third quarter. Current reports indicate that still narrower profits will be realized by very many industrial firms in the fourth quarter Automobile production is declining sharply, and employment in motor manufacturing centers is falling. The number of reported insolvencies sharply increased in October...."

Belgian Import Duties

The Belgian import duties on another extensive list of products, including certain fresh and dried fruits varnished or lacquered hides and skins, fur skins, tires and tubes, and automobile parts, have been increased considerably by means of increased duty coefficients provided in a recent decree, according to the Department of Commerce.

Cooperative Societies in Great Britain

The Estate Magazine (London) for November says: "There is much of interest and importance for individual farmers in the accounts appearing from time to time of the action taken by territorial distributive cooperative societies in dealing with the serious difficulties of their farming adventures. The reports of the Cooperative Union show that since 1921 these undertakings, involving capital of about 3,000,000 pounds, have been seeking ways of escape from heavy annual losses, which in the aggregate have already amounted to 1,000,000 pounds, and endeavoring to find a farming policy for the future sounder than that of the past. As a recent commentator points out, such societies have marketing advantages which ought to aid success materially, but their experience has shown that in practice the possession of a market is not enough to insure successful farming--a fact the ordinary individual farmer has long ago known....This reviewer believes that if the retail societies, weary of making losses, will shape themselves to the views put forward as a result of a year's serious investigation, better returns should be recorded in the future, but he utters the general warning that farming must be recognized as a specialized industry. 'Farming, the oldest of our industries,' he concludes, 'is not to be run on the lines of the multiple shop--nor are shopkeepers as distributors necessarily the most efficient producers. There are limits to the capacity of any class of persons to do the work of others!...."

Immigration Statistics

During the fiscal year ended June 30, 1926, says a report of the Secretary of Labor to-day, a total of 496,106 aliens was admitted and 227,755 departed, resulting in an increase of 268,351 in the alien population of the United States. This is against a net gain in the alien population of the country of 232,945 in the preceding fiscal year, when 458,435 aliens were admitted and 225,490 departed. Aliens debarred from entering the United States during the year numbered 20,550, comprising 14,573 males and 5,977 females. Nearly 86 per cent,

or 17,563, of these were turned back at the international land boundaries, 15,808 from Canada, and 1,755 from Mexico. The other 2,987 aliens debarred during this period were rejected at the seaports, being principally stowaways and seamen seeking permanent admission to the United States without first obtaining visas from American consuls. The number of aliens deported from the United States after landing reached a total of 10,904 during the fiscal year ended June 30, 1926. This is the largest number ever deported during any one year, and is an increase of 1,409 over the preceding fiscal year and 4,495 over the fiscal year of 1924, when 9,495 and 6,409, respectively, were deported. Deportees during the fiscal year 1926 were sent to nearly every part of the world. Europe, with 5,088, received the largest number; 2,588 went to Mexico; 2,102 to Canada and Newfoundland; 430 to Central and South America and the West Indies; 589 to Asia; and 107 to Africa, Australia, New Zealand, and the Pacific Islands.

"The past year of immigration activities," says the Secretary of Labor in describing the work of the Immigration Bureau, "is one of considerable accomplishment, not so much perhaps in the way of action upon new legislation as in giving greater effect to the Immigration Acts of 1917, and 1924. By the 1917 Act there are established certain standards of admissibility, and the fiscal year just ended has proved what practical effect can be given to these standards where the flow of immigration is stemmed at the source by an intelligent administration of the restrictions imposed by the 1924 Act. One of the outstanding achievements of the year in administration has been the extension of the foreign service to continental Europe. Technical advisers on immigration questions are now assigned not only to the American consulates in the United Kingdom but also to consulates in Belgium, the Netherlands, Poland, Germany, Norway, and Denmark, with the prospective assignment, at this time of a similar officer to Sweden. Nineteen technical advisors are already abroad, and their work justified to the full the inauguration of this system."

Meat War Abroad Nears End

The press of November 30 reports that a sharp rise November 29 in the price of Swift Internacionale stock pointed to the termination of a trade war which has been carried on more than a year between Swift Internacionale, Argentine subsidiary of Swift & Co., Swift & Co., Armour & Co., and a British corporation, the Union Cold Storage Company, Ltd. Advices from Chicago were that the trade war, which has cost the concerns involved $50,000,000, will be ended formally immediately. The warfare, it is understood, has driven the British company from the South American field, for under the terms of the settlement, so far as they are known, the British concern in future will purchase its meats from the other companies.

Price Index

An Ithaca dispatch to the press of November 30 reports: "The index number of farm prices in the United States fell in October to the lowest point in twenty-eight months, according to Dr.G.F.Warren, agricultural economist at Cornell University. With the decline of 6 points in October the general level reached an index of 134, which is 28 points below the peak of 1925. The index number of the farm prices of nine commodities rose three were stationary and eleven fell. The price of cotton dropped 41 points, sweet potatoes were off 35 points and apples fell 9 points. Potatoes rose 21 points and oats gained 9. The index number of cotton went from 138 in September to 97,

or below pre-war in October, which is lower than it has been during the past five years. The index of the farm prices rose 189 points in thirty-two months and declined 167 points in thirty-three months."

Section 3

MARKET QUOTATIONS

Farm Products Nov. 30: Chicago quotations as of November 30: Hogs, top, $12.15, bulk of sales $11.40 to $12. Beef steers choice $10 to $12.60, good $8.85 to $12.25, medium $7.50 to $10, common $6.25 to $8. Heifers, good and choice $7 to $11.75, common and medium $5.75 to $8.25. Cows, good and choice $5.50 to $7.25, common and medium $4.50 to $5.50, low cutter and cutter $4 to $4.50. Vealers, medium to choice, $10 to $12, heavy calves, medium to choice, $6 to $8.50. Stocker and feeder steers common to choice, $5.75 to $8.25. Fat lambs, medium to choice, $11.50 to $13.80, yearling wethers, medium to choice, $8.75 to $11.25, fat ewes, common to choice, $4.50 to $7, feeding lambs, medium to choice, $11.50 to $13. New York wholesale quotations on western dressed, good grade, fresh meats as of November 30: Steer beef $16 to $18, veal $16 to $19, lamb $25 to $27, mutton $13 to $15, light pork loins $25 to $27, heavy loins $21 to $23.

Maine sacked Green Mountain potatoes mostly $3-$3.15 per 100 pounds in eastern cities; bulk stock $2.35-$2.40 f.o.b. Presque Isle. Northern Round Whites $2.25-$2.50 carlot sales in Chicago; $2.15-$2.20 f.o.b. New York Danish type cabbage ranged $20-$28 bulk per ton in consuming centers; $16-$18 f.o.b. Rochester. Wisconsin stock $22-$24 track sales in Chicago; $20-$22 f.o.b. Racine. New York yellow onions $1.75-$2 per 100 pounds in eastern cities; few fair $1.35-$1.50 f.o.b. Rochester. Midwestern stock ranged $1.50-$2 in consuming centers. New York Rhode Island Greening apples $2.75-$3 per barrel in New York City and $4-$4.50 in Chicago.

Grain prices quoted: No.1 dark northern Minneapolis $1.39-$1.43. No.2 red winter St. Louis $1.39. No.2 yellow corn Chicago 74 cents; No. 3 yellow corn Chicago 72 cents; Minneapolis 74 cents; St. Louis 72 cents. No.3 white oats Chicago 42 cents; Minneapolis 41 cents; St.Louis 44 cents.

Cotton - Average price of Middling spot cotton in 10 designated markets declined 13 points, closing at 12¢ per lb. December future contracts on the New York Cotton Exchange declined 8 points, closing at 12.48¢ and on the New Orleans Cotton Exchange they declined 17 points, closing at 12.28¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Nov. 30,	Nov. 29,	Nov. 30, 1925
	20 Industrials	156.55	155.93	151.08
	20 R.R. stocks	117.66	117.80	107.52

(Wall St. Jour., Dec. 1.)

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DAILY DIGEST

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Vol. XXIII, No. 53 Section 1 December 2, 1926.

FARM LEGISLATION The Press to-day reports: "President Coolidge sent for Senator Borah Dec. 1 to talk about farm relief legislation, with the apparent outcome, which may strike some persons as strange, that they found themselves in agreement concerning the most important principle involved in the whole controversy. After the conference Mr. Borah said that, personally, he could not see where the farmers would be benefitted greatly through the medium of Government control of certain farm products and through price equalization. These are the basic features of the controversial McNary-Haugen bill to which the President is opposed, and Senator Borah's accession to the ranks of the opposition is a considerable factor in the expected revival of advanced farm aid proposals in the session of Congress which will begin next Monday. It now appears to be assured that the worrisome farm relief complex will have a prominent place in the legislative program of the session. It is included in tentative outlines of the session's business....."

WHEAT RATES The press of December 1 reports that briefs filed November 30 with the Interstate Commerce Commission presented arguments for and against the proposal of the Minneapolis & St. Louis Railroad to reduce rates on grain moving east from Minneapolis and St. Paul. That road and the Soo Line last summer filed schedules which would have cut six cents a hundred pounds from the present all-rail rates to the Atlantic Seaboard, but because of protests of other roads and cities their action was suspended to wait investigation. Opposing the reduction, briefs were filed for the Chicago Board of Trade, the Milwaukee Chamber of Commerce, the Boards of Trade of Indianapolis and Louisville and the Central States Millers' Association.

SPAIN SEEKS COTTON INDEPENDENCE A Madrid dispatch to the press to-day states that a national commission has been established with the object of promoting the cultivation of cotton so as to make Spain independent of foreign planters. Bonuses and prizes amounting to 150,000 pesetas($22,725) will be distributed next year for the purchase of American cotton cultivating machinery. Premiums will be awarded for successful propaganda work and for the best results produced by growers. A jury of experts will decide the awards and, in exceptional cases, propose additional recompense.

LONDON WOOL SALES A London dispatch to the press of December 1 states that at the wool sales held there November 30 10,481 bales were offered, of which 9,000 were sold. There was a full attendance. Good conditioned wools met with a ready sale on the basis of the opening values. America took a fair quantity of medium slipes and greasy crossbreds.

Section 2

Business Conditions

In its review of business conditions for November, The National City Bank of New York for December says: "The developments of the past month have given further evidence of slight variations in the trend of business. The level of trade and industry continues high, but the constant attainment of new high records, which characterized business during the earlier months of the year, is no longer the striking feature of the situation. Considerable comment has been excited by the fact that statistical records are not showing the usual autumnal gains and in some instances show recent returns not quite up to the corresponding figures for last year. It may be said at once that the record of the last quarter of last year is a hard one to beat or equal, and that a moderate decline from it in some lines would have no great significance....Two things chiefly have contributed to the expansion of industry over the past few years,--the making up of the normal peace time growth that was retarded by the war, and a great increase in industrial efficiency, which has produced a wider distribution of wealth here than anywhere else and given to the mass of the people a buying power greater than that of any other country. While the impetus derived from the first may be losing its force, that derived from the second is inexhaustible so long as all parties who have contributed to that efficiency continue to do so and to cooperate reasonably well to that end. The wants of the American people are no nearer to being satisfied now than they were a year ago or five years ago, nor is there the slightest prospect that they will be satisfied in the near future. The buying power of the American people exists in the work they do for each other from day to day, and is as limitless as their wants. The pace at which they make headway in satisfying their own and each other's wants depends upon their ability to work together harmoniously, understanding all the time the cooperative character of their relations...."

Champion Boys and Girls

The press of December 1 reports from Chicago: "Kentucky, famed for its fine horses and beautiful girls, added to its repute November 30 by giving to the boys' and girls' clubs here for the International Livestock Exposition the Nation's healthiest farmer boy. Iowa and Mississippi had to share honors for healthy girlhood. Warren Griffin, lithe 15-year-old lad from Oscar, Ky., won over champions from sixteen other States the title of healthiest, but Jeanette Rushing, of Sunflower County, Mississippi, and Alberta Hoppe, of Linn County, Iowa, were awarded jointly the title of healthiest girl when physicians despaired of choosing between them. The girls were tied at the top of feminine health champions of nineteen States...."

Cooperative Bacon Factories in Britain

The Estate Magazine (London) for November says: "To judge from the report of the committee appointed by the National Farmers' Union to inquire into the economic condition of cooperative bacon factories in this country, these institutions are passing through a time of considerable difficulty. Some of them, in fact, have ceased operations. The chief troubles seem to be the difficulty of finding suitable managers, the failure to obtain continuous and adequate supplies of pigs, and the unsuitable quality of many of the pigs that are sent in. It is worthy of note, however, that these same difficulties were encountered by the Danish cooperative factories in their early stages; but were overcome so successfully that Danish undertakings are now

undoubtedly in a very flourishing condition. There is little doubt that a similar result might be obtained in this country if the members were ready to show the same keenness, loyalty and determination not to be easily discouraged."

Cotton Market Commerce and Finance for December 1 says: "Looking ahead, no one expects cotton to sell below the cost of production indefinitely. This, of course, is in the background of the cotton market picture, although there are probably some differences of opinion as to just what the average cost of production may be. In the foreground, there are at least three uncertainties. There are some who think that the orderly marketing of a surplus crop has stabilized the price and that no great change is likely until something can be learned of acreage prospects next spring. Others believe the weight of the supplies that are still accumulating in the South will eventually make itself felt, possibly in the shape of some pre-holiday liquidation which will make a temporarily better buying basis. And there are still others who believe that as distribution goes forward and unsold supplies concentrate in the hands of the more determined or stronger holders, prices will work higher...."

Dickinson on Farm Legislation A Chicago dispatch to the press of November 30 says: "The revised McNary-Haugen bill will be enacted into law before the end of the Seventieth Congress, Congressman L. J. Dickinson, of Iowa, leader of the House Farm Bloc, told the National Association of Secretaries of Agriculture November 30. Detailing the modifications in the measure since it was defeated in the Sixty-ninth Congress, he asserted that objections of cotton growers to the measure had been overcome and that the bill now had support enough to insure its passage."

Egg Grading in Ireland An editorial in The Irish Statesman for November 20 says: "The (Irish) Department of Agriculture has been subjected lately to a good deal of very pungent criticism. It has been doing a great deal of quiet, unobtrusive and excellent work. It is engaged on the improvement of the breed of cattle and horses, and I am told by people who speak with authority in the matter that these measures are excellent, and, in fact, better in some respects than what it has been possible to do in Great Britain. But it has given offence to the men (or some of them) who supply eggs to the British public. It has introduced a system of grading, and has tried to eliminate the slovenly and dirty habits which were bringing Irish eggs into bad repute in Great Britain. ....Most of us hope the department will succeed, whatever the interests of the people who sell such things may be."

Farm Methods An editorial in Commerce and Finance for December 1 says: ".... Our farms are in a transitory stage. The farmer has learned to his amazement that cheap labor in the end is often the most expensive sort, that it is not what an operation costs, but rather what profit it pays that, in the final analysis, is what counts. Moreover, the knowledge is seeping through that high prices for farm products may not always be so entirely desirable nor essential as appears at first glance; that profit is the aim of farming, as it is of industry, a profit commensurate with the skill and investment required; and that there are several ways of achieving profit. The farmers know that henceforth they must give at least as much thought to producing cheap

as to selling dear, to using power with somewhat the same degree of effectiveness as the manufacturer; to employing implements that do the job at a low unit cost, even if the first cost is high. 'The poor unimproving farmer' (wrote a British farmer of the last century) 'is generally the producer of the dearest and most unremunerating food; whereas, the man who spends most per acre, and pays the highest rent, is the cheapest producer.' The farmer having awakened from his lethargy, we may confidently anticipate revolutionary changes 'down on the farm.' For while Congress argues about farm relief, there are so many things the farmer can do to ease his own burden and increase his prosperity...."

German Insect Bourse — An Associated Press dispatch from Berlin December 1 says: "With the increasing popularity of the study of bugs in Germany, insect fans have found it needful to establish an entomological bourse. At the opening of this novel exchange, which saw a large representation of bug hunters from the four principal entomological societies of Germany, quotations ranged from 2 cents for ordinary swallow-tailed butterflies to $50 for a pair of rare ornithopodous butterflies, indigenous to the higher altitudes of New Guinea....."

Marketing Farm Products — An editorial in The Wall Street Journal for December 1 says: "'We can produce countless things; what can we market under everyday conditions at a profit?' This question is the substance of a letter from a southern reader in relation to a number of articles on agriculture in the South, and the writer has put his finger on one of the most important as well as difficult parts of the farm problem. That question can not be answered fully, or satisfactorily, to every one. But principles of marketing and policies can be stated, and the individual, or perhaps better yet, the community, can work out a system to cover local needs and conditions. A program good for one locality might result in loss for another....The lone basic fact seemingly ignored is that marketing of farm products, as well as that of manufactures, depends upon the demand of the consumers. We may talk about the cost of production all we please but if the consumers refuse to pay that price the goods will not move. Although our people forget quickly they should still be able to recall that within recent times the largest cotton mill in the United States was forced to shut down. The trouble was that consumers refused to buy the goods at cost of production plus a reasonable profit. Farmers are not independent of, but are absolutely dependent upon, the consuming markets. There may be years of small production of one or more products when the individual farmer can market easily and at a profit. But he needs a system which will make him reasonably sure of a good market year after year. Community cooperation in this would seem to be necessary, if only to make an intelligent survey and learn what products are in demand at the most accessible markets and what efforts are necessary to provide the proper marketing and shipping facilities. If a locality raises fruits and vegetables are there canning factories in the neighborhood to care for the surplus; are there good marketing organizations to send perishables, properly graded, to the different markets to avoid a glut? If farmers are finding it difficult to market their products without loss are they studying the markets to learn what is wanted? Wheat was once the main crop of Minnesota and the results were unsatisfactory. The farmers found a market was accessible to them for

dairy products, and this output in the past year was worth $200,000,000. They saw a market for meat, so the corn crop is worth $160,000,000 and when it is marketed by the way of the hog it will represent more. Individually the farmer can do but little more than accept what the market will give him. But if he will realize that his prices are fixed by the demands of the consumers, then forming community organizations to find out what his most accessible markets want and what they are willing to pay, he will have made a long step toward answering the question of what he can market under every day conditions at a profit."

Section 3
MARKET QUOTATIONS

Farm Products Dec. 1: Top price of hogs at Chicago to-day at $12.15 and bulk of sales at $11.50 to $12.

Maine sacked Green Mountains $3-$3.35 per 100 pounds in eastern cities; bulk stock mostly $2.35 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2.25-$2.40 carlot sales in Chicago; very few $2.05 f.o.b. Waupaca. New York Danish type cabbage $20-$28 bulk per ton. F.o.b. sales $16-$18 at Rochester. New York and Midwestern yellow onions $1.50-$2 sacked per 100 pounds in consuming centers; $1.60-$1.65 f.o.b. Rochester, New York and mostly $2 f.o.b. Warsaw, Indiana. New York Rhode Island Greening apples from cold storage $3.75-$4 per barrel in New York City and $3.50 f.o.b. Rochester. Michigan and Illinois Jonathans $4-$4.50 in Chicago. Washington Extra Fancy Jonathans $2.25-$2.50 per box on the Chicago market.

Grain prices quoted: No.1 dark northern Minneapolis $1.42-$1.46. No.2 red winter St.Louis $1.40. No.2 hard winter Kansas City $1.36-$1.40. No.2 yellow corn Chicago 76¢; Kansas City 79¢. No.3 yellow corn Chicago 74¢; Minneapolis 77¢; St.Louis 75¢. No.3 white oats Chicago 44¢; Minneapolis 42¢; St.Louis 46¢.

Closing prices on 92 score butter: New York 53½¢; Chicago 53½¢; Philadelphia 54½¢; Boston 52¢.

Closing prices at Wisconsin primary cheese markets: Single Daisies 24¼¢; Longhorns 24¾¢; Square Prints 26¼¢.

Average price of Middling spot cotton in 10 designated markets declined 9 points, closing at 11.91¢ per lb. December future contracts on the New York Cotton Exchange declined 13 points, closing at 12.35¢, and on the New Orleans Cotton Exchange they declined 10 points, closing at 12.18¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Dec. 1,	Nov. 30,	Dec. 1, 1925
	20 Industrials	157.31	156.55	152.11
	20 R.R. stocks	117.51	117.66	107.37

(Wall St. Jour., Dec. 2.)

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DAILY DIGEST

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Vol. XXIII, No. 54 Section 1 December 3, 1926.

LIVESTOCK SHOW HONORS

A Chicago dispatch to the press to-day states that Rupert B., the grand champion steer of the International Livestock Exposition, was sold at auction yesterday for the record breaking price of $3.60 a pound. The steer weighed 965 pounds and was bought by Wilson & Co. for the Shelburne hotel, Atlantic City, N. J. Rupert B. is a Hereford, owned by the Oklahoma A.& M. college, Stillwater, Okla. The grand champion steer of last year's show, Mah Jongg, was sold for $3 a pound. The grand champion carload of fat steers, Aberdeen-Angus yearlings exhibited by John Hubley, of Mason City, Ill., was sold yesterday for 55 cents a pound to Armour & Co. for the Pennsylvania Railroad dining car service. A year ago the champion carload sold for 43 cents a pound.

RUBBER POOL ORGANIZED

An Associated Press dispatch from New York to-day reports that the creation of a $40,000,000 rubber pool, which will enable leading tire manufacturers and automobile companies to combine their resources for the purchase of crude rubber, was announced in Wall Street yesterday. The new organization will have the backing of several large New York banks, including the National Bank of Commerce and the International Acceptance Bank. The prime purpose of the combination, it is understood, will be to stabilize the price of the commodity at a level which will make unnecessary an additional 10 per cent restriction in output under Great Britain's Stevenson act next year. At the same time efforts will be made to forestall any artificial rise in values based on the British restrictive regulations.

RUSSIAN COTTON TARIFF

An Associated Press dispatch to-day from Moscow says: "American cotton, which has been entering duty free through Murmansk, will pay tariff hereafter of about 3¼ cents a pound. The People's Commissaries Council has decided upon this change since the decline in the price of American cotton which will make it possible to impose the duty without making the price of American cotton too high in relation to Turkestan cotton. There has been a duty heretofore on foreign cotton entering through ports other than Murmansk. This port, ice-free throughout the year, has communication with Leningrad over the railway constructed as a war measure with the cooperation of the Allies."

The Associated Press at Washington to-day reports: "Imposition of a tariff on American cotton entering Soviet Russia through Murmansk will have little or no effect in curtailing American cotton exports to that country, in the opinion of American officials. Russia's imports of American cotton have not been heavy. Last year they totaled 233,213 bales and for the first three months of the present cotton year 127,622 blaes."

Section 2

Agricultural Remedy

The New York Times of December 2 reports: "Following former Secretary of Agriculture Edwin T. Meredith's plea for Federal fixation of minimum crop prices as a solution of the chief agricultural problems, made recently before the Chamber of Commerce of the State of New York, William Childs, successful farmer and president of the Childs Company, which operates the chain of restaurants which bear his name, wrote this letter to Mr. Meredith: 'Prompted by your address before the New York State Chamber of Commerce, which it was my privilege to read in The New York Times of Nov. 19, I take this opportunity of referring to you an article written by myself on the subject, 'Is It Overproduction?' Parenthetically, it might be mentioned that, while industrially engaged in other fields, practically all my life has been actively identified with farming, at present operating a 600-acre farm in Northern New Jersey. Therefore, I consider myself thoroughly familiar with the farmers' problems and qualified to pass judgment on legislation affecting their needs..... Mr. Childs's answer to the question: 'Is It Overproduction?' is, 'Yes, it is overproduction, due to wrong motives, wrong principles and bad methods.' In the article referred to he asserts that it is his opinion that 'it is not the duty of our Government to pass laws to favor agriculture or the farmer direct, but rather to seek the truth and disseminate information that will point the way of true economics and show to both the producer and the consumer what is needed to have the right conditions.'....."

British Cotton Trade

A London dispatch to the press of November 29 says: "In the trade revival which is predicted when the supply of coal becomes normal, the cotton trade appears to have the most promising prospect. Shrewd operators are steadily acquiring shares of mill-owning companies, securities which have for a long time been steadily depreciating..... The trade's position is fortified by knowledge that cotton is likely to be really cheap for a long time to come, and the general view is expressed that 1927 is going to be an excellent year, with substantial expansion in business almost immediately."

Cotton Restriction

In an editorial entitled "Stevenson Plan for Cotton" The India Rubber World for December 1 says: ".....It is hard to see how such restriction would even measurably relieve much less cure the ills of American cotton raisers. Even assuming that the industry could be organized on a Nation-wide scale, it would be very difficult to devise a plan of governmental control for cotton that would work as smoothly as the scheme for price regulation operating under wholly dissimilar conditions in the British rubber-producing colonies. True, the discouraged cotton planters might easily be induced to subscribe now to such a scheme, trusting that any change could not but inure to their advantage; but the chances are that in better times many would chafe under the restraint, and unless the Government fetters were as strong as in war-time the recalcitrants would soon burst all barriers. Nor does account seem to be taken of the powerful objection which would be made to the Government attempting to fix the price of any agricultural product and thereby

establishing a mischievous precedent. In fact, to bolster up the price of cotton, or any other commodity, a restriction scheme would scarcely function without an import duty, and this in turn would incite hostility among manufacturers and consumers. Rubber raisers are more favorably situated. Even nature helps in their plan of restriction. They can always count on half a dozen years' start on possible rivals, whereas even protected cotton raisers would have to contend with competitors producing annual crops. So, too, were a good price assured for cotton in the United States the cotton planters in Egypt, India, the Soudan, and elsewhere would have a fine incentive to double or treble their output; and so the last state of the American cotton raiser might be far worse than the first."

Electro Farming in Ireland

An editorial in The Irish Statesman for November 20 says: "We would like to believe all the fine things Mr. Matthews said about Electro Farming at the meeting of the Institute of Electrical Engineers were practical. He told us that a unit of electricity would separate 260 gallons of milk, or churn and work 165 lbs. of butter, or crush 25 bushels of oats, or thresh eight bushels of wheat, or pulp six tons of roots, or chaff half a ton a day, and it could do other things as well as light a 40-candle-power lamp for twenty-five hours. No doubt it could do all those things once the electric light is installed and the various machines required have been purchased, but it is the cost of all this which makes us feel dubious of its practicability. If it can be demonstrated that all this paraphernalia, if installed, would affect economies, then electro farming will make its way into Ireland, but only, we believe, when some Agricultural Credit Bank is created, such as it is rumored the Banking Commission have recommended, and which, it is said, the Government has decided to establish. In Europe there are credit institutions through which farmers can get long-term loans, and in various reports we have read on rural organization in Germany it is made clear that the use of electricity in rural districts was only possible because long-term loans were possible, so that the farmers could pay the contractors for the installation and stretch the repayment to the credit bank over ten or even a longer period of years. Unless some such credit facilities are made possible in Ireland, we confess we do not see the use of electric light or power extending to any extent beyond the towns or becoming general on Irish farms.....There will be a chasm between Irish farmers and electro farming which can only be bridged by a small number of fairly wealthy landowners and farmers, and of course they will require first of all to be convinced by experiment and demonstration that the use of power is economical. Possibly the rumors about an Agricultural Credit Bank indicate that our Government has all this in mind, and that the Shannon Scheme and long-term loans are part and parcel of a policy Ministers have in mind."

Farm Credits

J. E. Cox, president of the Commercial National Bank of High Point, N.C., at a meeting of the agricultural commission of the American Bankers Association at Chicago, December 1, said: "There should be the same community of interest between the business we represent and that of agriculture that there is between banking and industry. Our efforts to establish that relationship will go a long way towards enabling the farmer to accomplish his own rehabilitation and regain and maintain his American independence."

Meat Situation A review of the livestock and meat situation during the month just closed, issued December 1, by the Institute of American Meat Packers, states in part: "With fluctuating beef markets and prices of pork products showing more substantial declines than the prices of hogs, the wholesale meat trade during the month was rather unsatisfactory, from the viewpoint of returns. The volume of the trade was good, however, especially in the case of fresh pork products during the latter part of the month. With the coming to market of large supplies of light-weight hogs, an interesting situation developed. For the first time in a number of months, pork cuts of light weight, which are in relatively greatest demand by consumers, became plentiful and heavy cuts became somewhat scarce. Most of the declines in prices occurred in the case of light cuts, while heavy cuts tended to hold firm. As a result, the price difference between light and heavy cuts narrowed materially.....Foreign trade in American pork products during November was confined chiefly to lard. Stocks abroad were reduced by brisk buying to a point where they are comparatively low. Trade in meats with Continental countries was very limited, although some companies enjoyed a fair trade in England during the first part of the month."

Prices in France Wholesale prices in France, according to official figures compiled by the French Government Statistical Office and transmitted to the Bankers Trust Company by its French information service, which had decreased in August by 69 points but increased again in September by 19 points, showed a decrease of 37 points in October. Retail prices in Paris continued to rise in October. The index figure for Paris was 624 as against 590 in September and 433 in October 1925. The quarterly index of the cost of living made up by taking the cost of the necessities for a workman's family of four compared with the cost of the same categories in 1914 on the basis of 100, was 539 for the third quarter of 1926 as against 485 for the preceding quarter.

Russian Cotton Purchase An Associated Press dispatch from New York December 1 says: "Russian purchase of American cotton totaled 290,868 bales, valued at $38,625,000, during the Russian fiscal year ended October 1. These figures appear in a printed report of the American-Russian Chamber of Commerce, and show total purchases made by the All-Russian Textile Syndicate in Europe, as well as in the United States. In the same period 60,262 bales of Egyptian cotton, valued at $15,965,000, and 57,800 bales of Turkish and Persian cotton, valued at $7,210,000, were bought abroad by the All-Russian Textile Syndicate."

Reindeer Industry The success that has attended the introduction of reindeer into Alaska and the resulting improvement in the economic condition of the native Eskimo has attracted the attention of the Canadian Government, which is now conducting investigations to find if these animals may not be successfully introduced into the regions of the Upper Yukon, the lower Mackenzie and the country north of Hudson Bay in Northern Canada, says a recent bulletin of the American Game Protective Association. The bulletin says that the reindeer has created a new and important revenue-producing industry for the white residents as well as being the means of improvement in health and economic status of the Eskimo. (Press, Nov.27)

Section 3
MARKET QUOTATIONS

Farm Products Dec. 2: Livestock Quotations: Top price of hogs at Chicago at $12.10 and bulk of sales at $11.50 to $12.

Maine sacked Green Mountains $2.95-$3.35 per 100 pounds in eastern cities; few sales bulk stock $2.25 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2.25-$2.40 carlot sales in Chicago; mostly $2.05 f.o.b. Waupaca. New York Rhode Island Greening apples from cold storage at $3.50-$3.75 per barrel in New York City and $3.50 f.o.b. Rochester. Michigan and Illinois Jonathans $4-$4.50 in Chicago. Washington Extra Fancy Jonathans $2.25-$2.50 per box on the Chicago market. New York Danish type cabbage $20-$35 bulk per ton and $17-$18 f.o.b. Rochester. Wisconsin stock $25 bulk per ton carlot sales in Chicago; $22-$23 f.o.b. Racine. New York and midwestern yellow onions at $1.75-$2 sacked per 100 pounds in terminal markets; $1.60-$2 f.o.b.

Closing prices on 92 score butter: New York 54¢; Chicago 53½¢; Philadelphia 55¢; Boston 53¢.

Closing prices at Wisconsin primary cheese markets Dec. 1st: Flats 24¼¢; Twins 24¼¢; Single Daisies 24¢; Longhorns 24¾¢; Square Prints 26¼¢.

Average price of Middling spot cotton in 10 designated markets declined 20 points, closing at 11.71¢ per lb. December future contracts on the New York Cotton Exchange declined 15 points, closing at 12.20¢, and on the New Orleans Cotton Exchange they declined 18 points, closing at 12¢.

Grain prices quoted: No. 1 dark northern Minneapolis $1.44-$1.48. No. 2 red winter St. Louis $1.41. No. 2 hard winter Kansas City $1.36-$1.41. No. 2 yellow corn Kansas City 79¢. No. 3 yellow corn St. Louis 76¢; Minneapolis 79¢. No. 3 white oats St. Louis 46¢; Minneapolis 43¢; Kansas City 44¢. (Prepared by Bu. of Agr. Econ.)

	Average closing price	Dec. 2,	Dec. 1,	Dec. 2, 1925.
Industrials and Railroads	20 Industrials	158.00	157.31	152.88
	20 R. R. stocks	117.86	117.51	107.30

(Wall St. Jour., Dec. 3)

DAILY DIGEST

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Vol. XXIII, No. 55 Section 1 December 4, 1926.

RECORD CORN CROP An Associated Press dispatch to-day from Columbus, Ohio, reports: "Ira Marshall, Hardin County farmer, who last year produced a world's record corn crop on ten acres, this year bettered his own record by producing 1,686.8 bushels of shelled corn on ten acres for an average yield of 168.68 bushels to the acre. This was officially announced yesterday at Ohio State University after a check-up at Mr. Marshall's farm. While Mr. Marshall was bettering last year's record of 160 bushels an acre, his twenty-year-old son Glenn came within one bushel of equaling the 160-bushel yield. In another part of the field on which Mr. Marshall produced this year's record crop, Glenn recorded on ten acres a yield of 1,593 bushels, or 159.3 bushels an acre."

BRITISH RUBBER AND POOL REPORT A London dispatch to the press to-day states that the announcement of the new American rubber pool yesterday had a stimulating effect upon the price of the commodity, which closed with a substantial rise of seven-eighths of a penny to a shilling, 6 5/8d a pound. The report says: "The fact that the new combination is expected to purchase a large quantity of rubber was the determining factor and the market at London believes, or rather hopes, that apart from its preliminary purchases, the combination will prove a bull factor as long as rubber stands at about its present price....."

RADIO INDUSTRY CONTROL ASKED The press to-day reports: "With a warning that further delay in dealing with the radio problem will jeopardize a national industry involving $600,000,000 a year and disappoint 20,000,000 people in a very vital and personal family interest, the National Radio Coordinating Committee yesterday urged in a report that Congress enact an emergency control measure to prevent the granting of licenses after Monday to any more broadcasting stations. The emergency control measure was urged as a measure anticipating the enactment by Congress of a permanent radio control law....."

GERMAN FERTILIZER A Berlin dispatch to the press of December 3 states that the German chemical industry has announced a new method of production of fertilizer which contains the plant nutritive elements in proper proportions and does not poison wet and clayey soils as was the case with the former product. The report says: "The trust is manufacturing tens of thousands of tons monthly and sales to farmers have begun.....The new fertilizer is especially adapted for export because it is concentrated. Combinations of nitrogen, phosphate and potassium are made up according to the needs of the soil, which the State analyzes."

Section 2

Cotton Prices

An editorial in The Wall Street Journal for December 3 says: "Short selling caused the decline in cotton prices, Senator Shipstead informs the President. The gentleman from Minnesota is mistaken fully as much as the southern authority who said it was due to 'hedge selling.' It was not caused by short, but by long selling, by long production and long planting.....The gentleman from Minnesota can canvass the southern parts of the cotton belt from end to end without finding a farmer who held back his cotton. In some instances, compresses were obliged to embargo further receipts. By the middle of October almost 5,000,000 bales had been brought 'into sight.' This was 'long,' not 'short' selling, and the weight of it broke the market's back. There was 'long' production. The three preceding years have been seasons of comparative freedom from the boll weevil, and in that period production of cotton has outstripped world consumption. That state of affairs did not call for a greatly increased production. Yet the production was at least 40 per cent greater than the average of the three preceding years. Even in the season of 1925-26 the world consumption of American grown lint and linters was but 15,165,000 bales. The crop produced this season is officially estimated at 18,400,000 bales, to which must be added linters which will approximate 1,000,000. Take that total plus the carryover of 5,000,000 bales and contrast it with last season's consumption of 15,165,000 bales and see if there was not a 'long' production. 'Long' acreage also helped to weigh down the price. Between 1914 and 1920 the area picked averaged 34,646,000 acres. In 1920 it was only 30,500,000 acres, but since then there has been a progressive increase, reaching up to 46,000,000 acres in 1925 and 47,200,000 this season. Haven't the farmers been 'long' on both acreage and production? In these circumstances, what caused the price to go down?"

Cotton Research and Consumption

Manufacturers Record for December 3 says: "Three eminently practical suggestions for relief of the cotton situation in the South are emphasized in a letter from G. W. Hardy of Shreveport, La., to J. S. Wannamaker of St. Matthews, S. C., much of which, we agree with Mr. Wannamaker, is well worth publishing. The two points in question: (1) Development, largely through scientific research and experiment, of new uses for cotton; (2) adequate advertising for present cotton products; (3) analysis and study of farm soils in the South, so that they may be properly utilized and developed. As Mr. Hardy puts it, in part: 'We are all aware of the fact that the Southern States of the United States have a natural monopoly on the production of cotton. No other country in the world possesses a soil and climate so perfectly adapted to the growth and maturity of cotton. The countries of Europe, Asia and Africa, which have been tried with unstinted capital and labor, so far have proved a practical failure, and it behooves us to press our advantage and make it worth while to continue this monopoly to the very greatest extent.. .....' There is a certain value in a big cotton crop which must not be overlooked. The demonstration that the South can produce as much cotton as the world will need will largely lessen the activity of European countries to develop cotton growing in other countries where the same grade of cotton can not be produced in competition

with the South, provided the South can grow its cotton at a lower cost than has been done. This means growing more pounds per acre by intensive fertilization and cultivation, and utilizing the balance of the land for food and feed crops. If all southern farms were self-supporting in the way of food and feed, and this is entirely possible, then the cotton crop would practically be a surplus one and could be produced at a price with which other countries could not compete. The Manufacturers Record has long urged research work for the purpose of finding new uses for cotton and all of the products of the cotton plant, seed, lint and stalks included. Corn and wheat could not be raised at a profit to the western grower if these crops did not result in making it possible to raise livestock and at the same time increase the fertility of the soil thereby. Cotton impoverishes the soil and demands an ever-increasing supply of artificial fertilizers. Diversification would help to overcome this, and research work on every possible use of the cotton plant and the enlarged consumption of cotton goods would tremendously help the situation....."

Farm Purchasing Power

An editorial the The Wall Street Journal for December 2 says: "Crop production this year was 3 per cent greater than in 1925, but the producers' gross income will be somewhat smaller. Purchasing power of the farmer's dollar also is less than a year ago. Official estimates place the value of the farmer's dollar in October at 81 cents, in terms of non-agricultural commodities. Since the first of July there has been a downward trend in farm prices, which has been more rapid since the middle of September. On the other hand, the non-agricultural commodity index has been nearly stable since March. This results in a smaller purchasing power for the farm products, or farm dollar. This trend downward is not to be explained by any one crop, says the Department of Agriculture. The season has been a good one for all livestock products. The livestock income, therefore, should be larger than a year ago. The same can be said of winter wheat, where a good crop sold at satisfactory prices. This balances the poor showing the same section made in the preceding season.....The department attributes a large part of the drop in farm income to the cotton producers. Here is an instance of an enormous crop bringing in to the producers much less money than a smaller one. Whatever one's pet theory about such matters may be, there is no argument against facts. At the date of the official calculation of the purchasing power of farm products the price of cotton averaged 55 per cent that of a year ago. The farmer is getting less than now. In spite of the crop of 18,000,000 bales the crop of this year can not have a money value to the producers equal to that of the 16,000,000 crop of 1925. The greatest loss in farm purchasing power, therefore, will naturally be on the farms where cotton was the main crop."

Florida's Citrus Crop

During the season, September 1, 1925, to July 20, 1926, approximately, 14,694,120 boxes of citrus fruit--oranges, grapefruit and tangerines--were produced in Florida, of which 750,000 boxes were consumed in the State, 435,000 boxes used by canning factories and 250,000 boxes shipped out of the State by truck. The total estimated revenue received from the sale of this crop was $94,586,977, of which $54,765,912 came to the State of Florida. In spite of the storm the season of 1926-27 promises to show even higher figures. It is estimated that the storm losses are about 5,700 carloads. (Manufacturers Record, Dec. 2.)

Forestation in South Carolina

Jack Wooten of Columbia, S. C., writes to the Manufacturers Record of December 2 as follows: "After years of indifference toward reforestation in that section of the rich timber belt of the South known as South Carolina, the people of the Palmetto State are beginning to realize that their woodlands must be maintained and that some means of preventing forest fires must be devised, in order that lumber may retain its standing as a principal industry. Not only are the lovers of trees beginning to realize more and more the value of the forests, but also the lumbermen of South Carolina and the people at large are to-day taking more interest in reforestation than ever before. The lumbermen are cooperating earnestly, and are doing much to make the timber resources permanent. They are even digging into their pockets and offering to put a severance tax upon the lumber they cut.....In recent years the lumbermen of South Carolina have endeavored to farm their timber lands in an effort to maintain the timber resources. They have been assisted in their fight for more and better forests by tree enthusiasts, the authorities of Clemson Agricultural College and the United States Government. But they have been handicapped by lack of public opinion in favor of their cause...."

Women in Government Service

Included in the activities of 1926 of the Women's Bureau of the United States Department of Labor, the Secretary of Labor states was a study of the status of women in the Government service in the preceding year. He says: "The investigation of the status of women in the Government service in 1925 is a follow-up of the report on this subject issued by the Women's Bureau in 1919.....It is the purpose of this report, which is now in press, to show the positions held by women in the departmental service, and the salary range in such positions.....Since it was the aim of the bureau to emphasize the opportunities for women in Government service it was decided to review only records of women receiving salaries of $1,860 and over.....The report includes the service records of women employed in the District of Columbia and receiving salaries of $1,860 and over per annum on or prior to April, 1925, as well as the records of all men employed in similar positions in certain Executive establishments. These Executive establishments employed 15,777 women and 15,966 men. A little more than one-third of all employees in the establishments reviewed in their entirety receive salaries of $1,860 and over; 21 per cent receiving such salaries were women and 79 per cent were men. Of the 2,198 women receiving such salaries in these Government establishments, almost two-thirds were in clerical, typing, and stenographic positions, 8 per cent were engaged in accounting and auditing, and the remaining one-fourth were scheduled in administrative, professional, scientific, and special positions, in no one branch of which was there so large a proportion as 5 per cent. Of the women included, only 35 received $3,600 or more, and only 10 had a salary as high as $5,200. In all the positions paying $1,860 or more in which women and men were employed, 45 per cent of the women employees received just $1,860 a year as compared with approximately 15 per cent of the men in like positions."

Section 3
MARKET QUOTATIONS

Farm Products

Dec. 3: Livestock Quotations: Top price of hogs at Chicago at $12.05 and bulk of sales at $11.50 to $11.95.

Maine sacked Green Mountain potatoes $2.95-$3.25 per 100 pounds in eastern cities; bulk stock $2.25-$2.30 f.o.b. Presque Isle. Northern sacked Round Whites $2.15-$2.40 carlot sales in Chicago; $2.10-$2.25 f.o.b. Virginia and West Virginia York apples $2.50 per barrel in New York City. New York and Michigan Baldwins and Michigan and Illinois Jonathans $4-$4.50 in Chicago. Virginia yellow sweet potatoes about steady at $2.75-$3 per barrel in terminal markets. New York Danish type cabbage $23-$28 bulk per ton in eastern consuming centers; $18-$20 f.o.b. Rochester. Wisconsin stock $25 carlot sales in Chicago and $20-$23 f.o.b. Racine.

Closing prices on 92 score butter: New York 54¢; Chicago 54¢; Philadelphia 55¢; Boston 53¢.

Closing prices at Wisconsin primary cheese markets Dec. 2: Single Daisies 24¢; Double Daisies 23½¢; Longhorns 24¾¢; Square Prints 26¢.

Average price of Middling spot cotton in 10 designated markets declined 21 points, closing at 11.50¢ per lb. December future contracts on the New York Cotton Exchange declined 30 points, closing at 11.90¢ and on the New Orleans Cotton Exchange they declined 33 points, closing at 11.67¢.

Grain prices quoted: No. 2 red winter St. Louis $1.40. No. 2 yellow corn Chicago 77¢. No. 3 yellow corn St. Louis 77¢. No. 3 white oats Chicago 44¢; St. Louis 48¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Dec. 3,	Dec. 2,	Dec. 3, 1925.
20 Industrials	158-50	158.00	153.80
20 R. R. stocks	118.22	117.86	107.30

(Wall St. Jour., Dec. 4)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIII, No. 56 Section 1 December 6, 1926.

AGRICULTURAL LEGISLATION

R. V. Oulahan, writing in The New York Times to-day on the outlook in Congress, says:"...According to present prospects the agricultural bloc will assume a militant attitude based on the slogan: 'If we don't get farm relief, you shan't have tax relief.' The Corn Belt contingent in the Senate and House will be more aggressive than any other group interested in furnishing aid to farmers through Congressional legislation. It is represented being as determined as ever to insist upon the passage of a measure containing the essential principles of the controversal McNary-Haugen bill--direct aid from the United States Treasury for financing farm crops with a view to controlling prices, and the application of the so-called equalization fee for the purpose of paying carrying expenses of the price fixing system. This equalization fee would be paid out of the profits the farmers would make through obtaining higher prices for their crops. The McNary-Haugen bill is to be rewritten but it is the understanding that the basic principles mentioned will be preserved. The very fact makes clear that the advocates of the measure will run counter to the views of the Coolidge administration. President Coolidge and his chief advisers are set in their opposition to their equalization fee principle and to any price-fixing policy. At the same time there are indications that the administration is willing to go a step further than it has heretofore in dealing with additional legislation for farm relief. These indications, however, do not raise the expectation that the administration will go to the extreme of accepting the equalization fee. But it will not be surprising if there are decided concessions to those Senators and Representatives who insist that more direct relief than hitherto has been conceded to the farmers by the Government is imperatively necessary....."

An editorial in the same issue says:"...There is an imperious demand by some western Republicans that the surplus be used neither for a temporary refund nor for continuing tax reduction, but for meeting the needs of the farmers. They point to the fact that last year one reason given for defeating the McNary-Haugen bill in aid of agriculture was that the cost of the plan would be very great. Well, with the money already in the Treasury, why not give the distressed farmers a chance at it? This is a question which Senator Brookhart of Iowa, recently elected as a regular Republican, may be counted upon to ask with insistence. He declares that his own vote will decide the balance of power in the next Senate. The views which he and some others of his mind hold will undoubtedly be advocated with a great show of power, if not with much balance, in the present Senate. On all other subjects there will be a free airing of 'views,' but probably precious little lawmaking. It is best to follow the philosophy of pitching our expectations low, if we wish to avoid being disappointed by the short and closing session of the Sixth-ninth Congress."

AMERICAN FARMERS TO TOUR EUROPE

A dispatch to-day from Chicago states that officials of the American Farm Bureau Federation announced yesterday that on next July 30 500 American farmers, led by Sam H. Thompson, president of the federation, will sail for Europe for a tour of England, Scotland, France, Belgium, Germany, Holland, Denmark and the Isle of Jersey.

Section 2

Banker-Farmer Cooperation

The remarks of Dan H. Otis, director of the agricultural commission of the American Bankers Association, at the Chicago meeting Dec. 2 were in part: "There are reasons for forty-eight varieties of banker-farmer work. There are forty-eight State bankers associations whose agricultural committees have varying notions as to the importance of agricultural relationships and how far these should be carried on by bankers. Despite this it is surprising how well the various officials and the members of State agricultural committees can get together and correlate the banker-farmer work into constructive programs. Forty-six States have determined definitely upon projects for aiding agriculture approved by the agricultural colleges of those States....In order that bankers may become better acquainted with agricultural conditions a few States have inaugurated banker-farmer tours. Another method of getting bankers acquainted with agricultural conditions is through the banker-farmer short course of one or two days, usually at the agricultural college....Fifteen States have held banker-farmer short courses. Seven States have held their bankers' conventions at the agricultural college. This gives bankers a chance to get in touch with agricultural problems and learn of some of the solutions that are being worked out along sound, economic lines. It helps them to act more intelligently in the handling of farm loans, encourages them to make loans on the basis of income rather than assets and paves the way for future correspondence with the colleges on problems that may arise in connection with dealing with farmer patrons."

Farm Banks

An editorial in The Journal of Commerce for December 2 says: "....It is not at all strange if Secretary Mellon has decided to take a 'reef' in the full press of sail that we have been carrying in our system of agricultural credit. The only surprising thing is that he has not taken some action of the kind before. Instead of that, the attitude of the administration at Washington has been to give farm land banks and joint stock land banks the absolute right of way, to tell them to 'go to it' in extending credit to the farmer. As a result they have gone ahead much too rapidly and with much too little attention to the needs of the farmer and the conditions of sound credit. They have been even more expansive than the Federal Reserve banks.....By all means, let the tightening up of our banking system take place. A thorough survey of the entire situation such as was proposed by the King resolution of last winter, which is still before the Senate committee on banking and currency, would be well worth while. It should include a thorough investigation of the causes of bank failures in the West and Middle West, the position of both Federal Reserve and Federal Farm Loan banks as well as joint stock banks, and a most careful study of the question whether the farm credit of the country, either in the form of mortgages, bankers' acceptances against warehouse receipts or any other form of paper, is not too greatly expanded."

Flour Production

An editorial in The Northwestern Miller for December 1 says: "Sydney Anderson, president of the Millers' National Federation, suggests the possibility of stabilizing the numerous invisible elements of the cost of producing flour and causing them to create a reserve of safety in the cost card. Quite obviously such a plan, to be

effective, would necessarily have to be general among all millers, and this, in turn, could be brought about only through a long continued educational campaign. At least two factors of safety are not present in the cost finding system in general use by millers. First of these is the general practice of deducting at least $2 per ton from the probable return from offals, as estimated on the going market. It is true that this is in deadly earnest a measure of safety, and that it is at times insufficient insurance against market fluctuations. Nevertheless, it is a distinct gain over the former method of reckoning feed return at the full realizable value at the moment the flour is sold. It is a factor of safety which is always beneficial, and sometimes is responsible for saving an actual loss on a sale of flour. The other invisible in the present system is the package differential. In the early days of the long fight to establish uniform differences for sacks of the many sizes now used as containers, much opposition existed and many millers scorned to follow the newly established standards. To-day adherence to the schedule is general. The added cost, not only of the sack itself, but of the greater expense of filling and handling, is compensated. If the differential does not actually yield a profit, it has been completely successful in ending what formerly was a loss, so that it may fairly be regarded as a successful effort to put an invisible to work....Undoubtedly other factors of greater or less importance in computing costs and returns await similar progressive action by the industry. The soundness of reckoning the yield of feed at a full 80 pounds is, in view of moisture and other losses, open to question and analysis. The yield of feed certainly is as variable as the price at which it may be sold, and if the latter may properly be discounted for one reason, the former may be for the other...."

Georgia Agriculture

Cutting down cotton output in Georgia over half a million bales annually in ten years, while other products have been greatly expanded, dairying alone growing over four thousand per cent in six years, has partly solved the cotton problem for that State, H.Lane Young told the meeting at Chicago of the agricultural commission of the American Bankers Association. "The meager start we have made in Georgia in diversified farming has within itself solved the cotton problem in the diversified farming communities, but in communities where diversification is not being followed the cotton growers are suffering just as all one-crop growers always have and always will," said Mr. Young, who is executive manager of the Citizens and Southern Bank, Atlanta, Georgia, and member of the commission for the Sixth Federal Reserve District. He continued: "Georgia the past season produced 19,304 carloads of watermelons, 17,460 cars of peaches, 100,000,000 pounds of panuts, 2,070,000 gallons of syrup, five million pounds of pecans, nine million bushels of sweet potatoes and $12,000,000 worth of tobacco. We have also made considerable progress in dairying, making an increase of 4344 per cent in the past six years. When we bear in mind also that Georgia's cotton area in 1925 was only 3,589,000 acres against 5,220,000 for 1919, you can realize that the farmers and business men have been endeavoring to get away from the one crop system producing only cotton as a main crop. Ten years ago we were producing far more than two million bales of cotton, while this year, although the crop has been unusually good, we will produce only 1,500,000 bales."

Potash Monopoly

An editorial in The Journal of Commerce for December 4 says: "Germany's potash syndicate has fallen on hard times. Secretary Hoover's outcries against that organization which, to his alarmed eyes, seemed an octopus equipped and ready to suck the life-blood from the American farmer, is suffering from competition and from loss of foreign and domestic markets. The enemy, as it happens, did not rise up in America in response to Mr. Hoover's alarms, but appeared in the form of another great combination, also of German origin, the recently formed dyes trust. Not only the latter organization but coal interests are reported to be entering the market with new mixed fertilizers and, according to a Berlin correspondent, agricultural chemists declare that the future belongs to ready prepared mixed fertilizers containing not more than 15 to 25 per cent potash. These developments have occurred despite the fact that the potash syndicate has not been permitted to raise its prices, which are still below pre-war figures, and notwithstanding its agreement with the French interests to divide markets. Under the circumstances, the exclusion from the American market of the flotation of a potash loan because of official disapproval will not be so greatly regretted as it was at the time. The reasons for the exclusion, however, have lost even the slight substance which they once possessed."

Southern Agriculture

An editorial in The Nebraska Farmer for November 4 says: "Things are happening in the agricultural South that prompt farmers there to ask the question, 'Where do we go from here?' The answer to this query will have far reaching influence on agricultural policy throughout the country. The two items of outstanding importance now are: An unusually large crop of cotton, probably the greatest in history, and the termination of the Burley Tobacco Pool. For at least three months, successive Government estimates of the cotton crop have indicated a very large total yield. Following each of these reports, a decline in price was registered until with the last estimate it was apparent that something had to be done lest the growers be subjected to heavy losses, if not actual ruin. It was then that President Coolidge appointed a committee headed by Eugene Meyer to study the situation and aid in securing remunerative prices. The committee did its work well to the extent of securing adequate finances to enable orderly marketing and to facilitate, if necessary, holding the surplus off the market....As a result of the foregoing, the cotton market has taken a substantial brace and the complaint among growers has been stilled temporarily. On all sides, it is agreed that the relief thus afforded will not be of permanent value unless a positive control of production is effected. One authority reports that a plan is now under way to have cotton-growing States enact legislation that will prohibit a farmer from planting more than 50 per cent of his cultivated lands into any one crop. It is safe to say that such action will not come to pass, but it emphasizes the importance of doing something to prevent a recurrence of this year's experiences in overproduction...."

Section 3
MARKET QUOTATIONS

Farm Products For the week ended Dec. 4: Hog prices at Chicago Dec. 4 are around 10¢ higher than Friday's average. Compared with a week ago, beef steers are 50 to 75¢ higher, heifers, 50¢ and cows 25 to 50¢ up. Vealers are 25 to 50¢ lower with heavy calves and stocker and feeder steers unchanged from last week's prices. Fat and feeding lambs are 25 to 50¢ lower and yearling wethers fully 50¢ off with fat ewes strong to higher. New York wholesale fresh meat quotations on western dressed, good grade meats are $1 on steer beef and mutton, $1 to $2 higher on lamb, $2 to $3 higher on heavy pork loins and $4 to $5 higher on light pork loins. Veal is weak to $1 lower, compared with a week ago.

Hay market steady on moderate receipts and active demand. Southern markets dull. Alfalfa steady and good shipping inquiry. Prairie firm and demand active. Feed markets firm with quotations unchanged to higher. Wheatfeeds showing slight advances with middlings firmer than bran. Demand for millfeeds only moderate but offerings restricted and some mills behind on deliveries. Linseed meal about steady for week with demand more active in eastern markets at the close. Western markets for this feed practically unchanged. Cottonseed meal firm with unchanged quotations at most markets but offerings less pressing. Gluten feed moving readily. Prices of hominy feed averaging higher. Alfalfa meal slightly easier.

Average price of Middling spot cotton in 10 designated spot markets declined 63 points during the week, closing at 11.50¢ per lb. December future contracts on the New York Cotton Exchange declined 49 points, closing at 12.09¢. and on the New Orleans Cotton Exchange they declined 63 points, closing at 11.84¢.

Potatoes around 10¢-15¢ lower in most producing sections but unsettled in city markets. Maine sacked Green Mountains $2.85-$3.25 per 100 pounds in eastern cities. Onions firm. New York and Midwestern yellow varieties $1.90-$2.25 sacked per 100 pounds in consuming centers; $1.65-$2.20 f.o.b. Apples dull. New York Baldwins $2.50-$3 per barrel in New York City; mostly $2.75 f.o.b. Rochester. Cabbage advanced $5-$10 in terminal markets bulk per ton for New York stock in eastern cities. F.o.b. sales ranged slightly higher at $18-$20 in western New York and $22-$23 at Racine, Wisconsin.

Butter markets during the week ended Dec. 4 continued firm and prices advanced further. Fresh supplies were light and withdrawals from storage were heavier than in 1925. Late information on production indicates some slight increase. Foreign butter continued to be of importance and several shipments arrived during the week. Cheese markets were steady to firm and prices at the cheese board meetings of Dec. 3, at Plymouth, Wis., advanced ¼¢-½¢. Trade is still reported as somewhat slow. Production is very light and shipments continue to be received from Canada.(Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Dec. 4,	Dec. 3,	Dec. 4, 1925
	20 Industrials	159.05	158.50	154.60
	20 R.R. stocks	117.85	118.22	107.82
	(Wall St. Jour., Dec. 6.)			

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DAILY DIGEST

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Vol. XXIII, No. 57 Section 1 December 7,1926

A.F.B.F.CONVENTION A Chicago dispatch to the press to-day says: "American agriculture opened its annual parliament at Chicago yesterday. Three thousand persons--farmers and farmers' wives--are here for a three-day convention of the American Farm Bureau, which has an affiliation of 1,000,000 farm families in forty-five States, making it the authorized forum of America's greatest basic industry....'There will be no wavering in the campaign for passage of legislation designed to relieve the farmer from the unjust punishment which he suffers through the production of a surplus of farm products in response to the demands of natural conditions', declared Sam H. Thompson of the American Farm Bureau Federation, of which he is president, in opening the convention. He urged particularly that nothing be done to hinder the cooperative marketing movement, which, he said, had performed a 'vast service,' with the aid of State and National legislation, even though it had not effected complete agricultural stabilization. 'The stabilization of agriculture,' he added, 'depends upon making the supply of basic farm crops balance with the demand in our most important markets, at a fair and reasonably constant price.'

"The message from David Lloyd George, former Premier of Great Britain, was read: 'I am particularly glad to know that your people have followed with intense interest and with approval my recent declarations on the land problem in Great Britain. Farming all over the world presents certain problems of a general character and every country has its own special difficulties to face. Here the social difficulties are largely the result of lingering traditions and a long course of national inattention. The policy of land reform which has now been adopted by the Liberal Party necessarily reflects our special conditions.....'

"Magnus W. Alexander, president of the National Industrial Conference Board of New York City, in an address declared that the interest of industry in the purchasing power of both city worker and farmer is too great to permit either 'to suffer from the blind operation of the law of supply and demand.' He outlined the project launched by the National Industrial Conference Board last April 'for the creation by the business interests of the Nation of a body of its representative leaders to constitute a Business Men's Commission, dedicated to the task of cooperating with all other groups in the effort to lay the foundation' of a policy that would solve the agricultural problem."

WATERWAYS ESTIMATE The press to-day reports: "The Nation's seacoast and inland harbors and waterways and rivers will require $65,477,365 during the year beginning next July 1 to keep them in shape to transport the vast volume of traffic, which last year amounted to $23,946,000,000 in commerce and passengers numbering 937,100,734. Major Gen. Edgar Jadwin, Chief of Engineers of the Army, in whose care the river and harbor projects are placed, in his annual report, submitted to Congress yesterday with the Government's 1928 fiscal year estimates, placed the amount necessary for general river and harbor work at $54,459,365. In addition, $11,018,000 will be required for flood control work, surveys and other specific purposes."

Section 2

Alfalfa versus Timothy

Burton M. Smith, president of the Bank of North Lake, Wisconsin, chairman of the agricultural commission of the American Bankers Association, said at the Chicago meeting December 2: "In those States bordering on and East of the Mississippi River is located seventy-six per cent of our dairy cattle and fifty-six per cent of all cattle including dairy and beef animals. Here is where ninety-five per cent of all the poorest feeding hay in America is grown. This is the great timothy region and timothy is one of the poorest producing and feeding hays for dairy and general livestock purposes. We find only fourteen per cent of the acreage of the richest and highest yielding hay known in all the world, alfalfa. This great dairy land is growing 28,000,000 acres practically all timothy. Of the kind of hays that put milk in the pail and dollars in the bank, that build up the land instead of wearing it down, that are most needed for a profitable livestock agriculture, this great dairy land grows but 3,000,000 acres of good clover and a million and a half acres of alfalfa. We can not have a situation like this without paying the penalty and the penalty is the enormous feed bill that confronts our dairymen. New York State, second greatest dairy State, has a feed bill of $83,000,000 annually; Pennsylvania, the sixth dairy State, $32,000,000; the New England States, $35,000,000; Wisconsin, $28,000,000. This is the price we pay for not growing the protein needs of our livestock on the farm. By alfalfa the cost of this valuable element in the ration can be reduced from one-half to one-third the amount now paid for it in the form of purchased feeds. The time has come to eliminate the heavy drain of the feed bill on farm profits. This can be done by alfalfa, the hay crop that produces the most, is richest in feeding value and gives the greatest returns in soil enrichment, drought resistance, weed eradication and dollars and cents. The problem is to increase our million and a half alfalfa acres to ten million or more".

Corn Prices

A Chicago dispatch to the press of December 6 says: "Corn prices from now on are considered by leading specialists in coarse grains as dependent upon the attitude of farmers. Should they hold their corn back, as expected by many in the trade, higher prices are predicted by those favorable to the constructive side of the market. But should prices advance 5 or 10 cents within the next thirty days they might be tempted to sell freely, which, traders say, should have a depressing influence. There is more corn in the show windows than in any other year at this season, which is the main depressing factor. Within a week a bull leader has come into the corn market and accumulated a large line, which has had a strengthening influence on values...."

Cotton Conditions

An editorial in The Journal of Commerce for December 6 says: "As time passes several facts about the state of affairs arising out of the cotton price situation that had been more or less obscured by the lamentations of sundry groups are gradually coming out into the light of day. One of them is that the elaborate credit machinery brought into being by solicitous politicians is more than apt, for the most part, to prove to be a work of supererogation. Another is that the rank and file of the people in the Cotton Belt are not nearly so hard hit as they, or at least a good many of their self-professed friends, thought they would be....Cotton is not being 'taken off the market' for storage as had been promised, or at least it has thus far proved difficult if not impossible to find a single bale that has thus been 'stored' for

eighteen months in order to lessen pressure on the market. Few sober minded people will doubt that in not attempting to hold their cotton off the market in the way contemplated our farmers are showing a substantial substratum of common sense on the part of owners of surplus cotton. Growers know, of course, full well that it costs more money to carry cotton and that after all it is nothing more or less than a gamble as to whether prices eighteen months from now will be sufficiently higher than they are now to warrant the incurring of such expense. They are well enough aware too that ample credit is, directly or indirectly, available to them for the purposes of marketing the crop in any careful and conservative way. They accordingly prefer to act as individuals or through their own associations to market their cotton or to hold it temporarily as their judgment directs, and they are wise to do so...."

Gilbert on European Situation

A Berlin dispatch to the press of December 6 says: "Germany has 'made loyally and punctually' all payments required under the Dawes plan for the second reparations year, declared Seymour Parker Gilbert, agent general for reparations, in his second annual report, published December 5. 'For over two years,' he says, 'German currency has remained stable. Foreign loans and other funds from abroad have poured into the country in a steady stream to the point of exceeding at times the capacity of German economy to make advantageous use of them, and the situation of German currency and exchange has grown constantly stronger.' The year just past provided for the first time a test of Germany's capacity to pay and the capacity of the creditor powers to receive reparations on a substantial scale, and 'actually the course of events has, if anything, outrun the expectations of the experts.' ...."

Kansas Banks Closed

An Associated Press dispatch from Topeka, Kans., December 6 states that the Earleton State bank at Earleton, Kans., closed voluntarily December 4, the fourth bank in the State to place its affairs in the hands of the State banking department last week. Since the first of the year forty-three State banks, with deposits of $4,000,000 have been closed because of difficulties in collecting loans, many of which were not secured by collateral.

Rubber Pool

An editorial in The Journal of Commerce for December 6 says: "Judging from the ups and downs in the rubber market following announcement of the plans of the recently formed American buyers' pool, the effect upon prices of concerted purchasing by United States consumers is most variously interpreted. The pooled interests have announced an intention merely to 'stabilize' prices, but the first reaction of the market was an advance in quotations, followed later by recessions. Meanwhile much of the comment seems to presuppose that the American pool will operate to counteract the high prices set by British restriction plans. Any one or all these suppositions contain elements of truth, subject, however, to certain important modifications.....If managed as a complementary organization, one neither hostile to the legitimate aims of the British industry nor resolved upon beating down prices, the American buyers' pool ought to provide a feasible economic solution of the difficulties that have plagued the industry. At the same time, with tact and good judgment, the pool should be able to eliminate many causes of friction that have

threatened to convert the Stevenson restriction plan into cause of serious international friction."

Russian Grain

A Berlin dispatch to the press of December 6 states that Russia's grain exports from July to November, inclusive, are stated at 1,350,000 metric tons, as against 1,430,000 in the same months of last year. The English and the Dutch appear to have bought considerably more Russian wheat than they did last year. Russian home prices, according to this last report, are slightly weakened.

Waterway Projects

The press of December 6 reports: "Waterway projects for inland improvements and outlets to the sea, requiring ultimate expenditures of nearly $1,000,000,000, await consideration by the short session of Congress. The administration will counsel moderate appropriations, pointing out that completion of existing river and harbor projects alone will cost $225,000,000 and require five years. Secretary Davis, in his annual report, stressed the fact that Congress was appropriating $50,000,000 a year for rivers and harbors, and suggested that new projects be held in abeyance until those under way are finished....The river and harbor bill has passed the House and will be up for debate in the Senate on Dec.14. The rivers and harbors committee will meet Tuesday to adopt resolutions urging a more definite policy in handling waterway improvements. Directors of the St.Lawrence Tidewater Association will meet at Washington later in the month. On Thursday the St.Lawrence commission, of which Secretary Hoover is chairman, created by the President to ascertain commercial sentiment as to the route via the St.Lawrence, will meet and possibly decide to hold hearings before preparing its report....There is very little prospect that any lakes-to-the-Atlantic ship canal project will be adopted this winter. But both sides will take every advantage to put their respective plans in shape for action by the Seventieth Congress....."

Week's Prices

A New Haven dispatch to the press of December 6 reports: "Professor Irving Fisher's index number of American commodity prices for the past week, based on 100 as the average of 1913, is 149.5, comparing with 149.4 the preceding week, 149.2 two weeks before, 152.9 three weeks before, and 153.5 four weeks before. The highest average for the year to date was 159.7, on Jan. 30; the lowest, 147.2, on Aug. 21, which was also lower than any reached in 1925. The highest weekly average reached in 1925 was 164.4, on Jan. 31, which was also higher than any reached in 1924; the lowest was 154.1, on May 2. The highest percentage since the war was 247, in May, 1920; the lowest, 130 in January, 1922. For the full month of November the average is 150.9, which compares with 148.5 for the month of October, 148.2 for September, and 147.6 for August. The average for August was the lowest monthly average for the year to date, and was also lower than any monthly average in 1925; the highest for 1926 to date was 159.2 for the month of January."

Section 3
MARKET QUOTATIONS

Farm Products Dec. 6: Livestock quotations at Chicago. Top price of hogs at $12.05 and bulk of sales at $11.60 to $12.

Maine sacked Green Mountain potatoes $2.85-$3 per 100 pounds in a few eastern cities. Northern sacked Round Whites $2-$2.40 carlot sales in Chicago. New York and Midwestern yellow onions at $1.90-$2.25 sacked per 100 pounds in consuming centers and sold at $1.60-$2.20 f.o.b. New York Danish type cabbage $25-$35 bulk per ton in terminal markets and $20 f.o.b. Rochester. New York Baldwins $2.50-$3 per barrel in eastern cities and $2.75 f.o.b. Rochester.

Grain prices quoted: No.2 red winter St.Louis $1.41. No.2 hard winter Chicago $1.44. No.3 yellow corn Chicago 77¢; St.Louis 77¢; No.3 white oats Chicago 45¢; St.Louis 47¢.

Closing prices on 92 score butter: New York 54½¢; Chicago 55¢; Philadelphia 56¢; Boston 54¢.

Closing prices at Wisconsin primary cheese markets Dec. 6th: Single Daisies 24¾¢; Double Daisies 24½¢; Longhorns 25¼¢.

Average price of Middling spot cotton in 10 designated spot markets advanced 6 points, closing at 11.56¢ per lb. December future contracts on the New York Cotton Exchange advanced 13 points, closing at 12.22¢ and on the New Orleans Cotton Exchange they advanced 6 points, closing at 11.90¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Dec. 6,	Dec. 4,	Dec. 5, 1925
	20 Industrials	159.30	159.05	154.63
	20 R.R. stocks	117.50	117.85	108.66

(Wall St. Jour., Dec. 7.)

DAILY DIGEST

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Vol. XXIII, No. 58 Section 1 December 8, 1926.

THE PRESIDENT'S MESSAGE

President Coolidge's annual message to Congress yesterday is reviewed by Richard V. Oulahan in The New York Times to-day. He summarizes as follows: "'Let well enough alone,' might be a description of the attitude the President implies in this document which the Constitution requires him to submit to Congress annually. The keynote of it is found in a brief sentence at the outset: 'What the country requires is not so much new policies as a steady continuation of those which are already being crowned with such abundant success.' Much of what the message contains is in the nature of a review of past recommendations and suggestions. He makes clear that the shortness of the Congressional session, which must end on March 4, 1927, bars consideration of important general legislation, and stresses the necessity of attention to the annual supply bills for the support of the Government, whose enactment is necessary to carry on its administrative activities in the fiscal year to begin July 1, 1927....

"Much of the message is devoted to discussing the agricultural situation with especial reference to the many acts of legislation that have been placed on the statute books for the benefit of the farming interests. In this review the President speaks of proposals for freight rate reduction and his recommendation for the consolidation of railroads. To help the farmer obtain cheap fertilizer he asks for action on the Muscle Shoals project. But while showing a willingness to favor more legislation for the aid of agriculture, he repeats his opposition to any governmental price-fixing scheme. Words favorable to the development of water transportation and for the extension of reclamation find places in this portion of the message...."

An editorial on the message in the same issue says in part: "The message devotes a long section to the question of agriculture....The President states in a weary way that the Government has given this subject more study than any other during the past few years, and that the farmers ought to be assured, even if they have got nothing definite as yet, that they have the 'constant solicitude and sympathy' of the administration. How far these words will go in buttering Iowa parsnips we shall have to wait to see. On the subject of taxation, water-power resources, reclamation and the national defense, Mr. Coolidge utters sentiments which are unexceptionable but which do not appear to contemplate any action by Congress. More positive and promising in that line is what he has to say about the need of legalizing railway consolidation, of enacting some Federal statute which would cut through the present jungle of radio broadcasting stations, and also of an act to clothe the Executive with power to deal with the emergency that might grow out of a strike by the soft-coal miners."

COTTON DROP IN EGYPT

A Cairo dispatch to the press to-day says: "The recent slump in cotton prices has created an economic situation in Egypt which has created great anxiety. The effects of the cotton slump are extending to all spheres of commercial and industrial activity, with the result that within two days the mixed courts have dealt with no less than a thousand cases of protested bills. This situation is unprecedented in the commercial history of Egypt...."

Section 2

Canadians Fear Grain Loss

A Winnipeg dispatch to the press of Dec. 7 says: "A serious situation in the movement of the western grain crop faces agriculturists and dealers of the western provinces through the tie-up of lake shipments, said a telegram Dec. 6 to the Railway Commissioners from the Northwest Grain Dealers Association. Fearing a heavy loss by producers if the wet grain can not be moved and dried within the next few months, the association requested immediate action, and suggested a public meeting of representatives of the producers, the grain trade and the railway companies to devise means for the handling and drying of this grain. It was suggested that space in the interior and Government terminal elevators, where drying facilities have recently been increased, should be reserved for the handling of damp grain."

Champion Wheat Growers

An editorial in The New York Times for December 7 says: "Last week the honors of the wheat championship for the United States and Canada went to Herman Trelle of Wembley, Alberta, which but recently found its way into the Canadian postoffice directory. In 1925 a Montanan won the prize, which is a feature of the great fair held at Chicago every year. Canada has grown championship wheat fourteen years out of sixteen, but Canadian-born men have not been the lucky ones. Five times the prize has gone to Seager Wheeler, who came from the Isle of Wight. He is of a very old yeoman family. He did not become famous as a wheat grower until he moved to Rosthern, Saskatchewan. James Cobden Mitchell of Dehinda, in the same Province, produced the best bushel of wheat in North America in 1919, 1920 and 1924. A Lancashire bookkeeper, he was lured by a billboard to migrate to Canada. In Ontario he did not prosper. One day Mitchell decided to move to the Northwest and take up a homestead. But first he put in two years to acquire the fundamentals of farming. A practical man, he profited by his knowledge of bookkeeping when he began to develop his acres. To-day everybody in the neighborhood wants his seed wheat, and as a competitor for the championship he is always formidable."

Cotton Depression

Charles W. Holman is the author of a comprehensive article entitled: "Cotton at Twelve Cents" in The American Review of Reviews for December. He says in part: "The growers' distress is far-reaching; it touches every business and professional interest in the South; it materially affects the landlords who live in the little towns; it extends to the industrial centers of the North and East, which for four years have been selling increasing quantities of goods in the South. For another two years, at least, all these interests will feel the pinch, since the cotton producers must live on a bare subsistence basis to pay the debts incurred in growing this year's crop."

Farmer's Market

"To-day the farmer's market is the world." The Associated Press reports from Chicago Dec. 7 that this assertion was made in the report of Frank Evans, general marketing counsel of the American Farm Bureau Federation, at the opening of its annual convention at Chicago Dec. 6. He contrasted the situation with that of two generations ago, when the farmer's market was his immediate neighborhood and distribution areas coincided with production areas. The people of Florida and California were envied their supply of tropical fruits and the cow-country folk their fresh cuts of beef. "But to-day," said Mr. Evans, "the corner grocery store offers everything that is produced anywhere in the United States or elsewhere."

Farm Scholarships

The New York Times of December 6 reports that free scholarships for the National Farm School at Doylestown, Pa., are being sought most by girls from the Middle West and boys from New York City, according to the scholarship committee of the school. The first girl to ask for scholarship application blanks was Miss Frances Looney of Birmingham, Mich. Hitherto the three-year course in scientific and practical farming has been open only to boys.

Fruit and Foodstuff Transportation

Speaking on "The Handling of Perishable Fruits and Foodstuffs" Charles H. Laird, Jr., vice president, West Jersey Trust Company, Camden, N.J., said before the meeting of the agricultural commission of the American Bankers Association at Chicago, December 2: "Fresh fruits and vegetables pay more than one third the total freight revenue of the agricultural crops of the entire country. In addition large shipments of fruit are made by express. It is obvious that the success of the producer depends upon quick, efficient transportation facilities. Approximately twenty per cent of the total shipments of fruits and vegetables are marketed by cooperative organizations, eighty per cent by independent shippers. Ninety per cent of the citrus fruits from California are marketed by cooperatives and about fifty per cent of all other perishables are shipped by such associations. Associations of shippers or cooperative agencies tend to minimize the number of middlemen. In 1918, there were about 82,000 refrigerator cars actually available. By 1923, this total was increased to 117,212 cars and on June 1, 1924, there were 120,288. The car supply situation was helped by increase in average capacity. Shipments of perishable products have risen eighty per cent in five years while available refrigerator equipment has increased only fifty per cent. The claims paid on perishable products were 20.4 per cent of all the freight claims. Inadequate terminal facilities are a contributing cause of failure in economic handling...."

Transportation and Agriculture

An editorial in The Journal of Commerce for December 4 says: "It is perhaps a human but none the less regrettable failing of ours that we have so much difficulty in bringing ourselves to permit the transportation industry to have and to hold a status that enables it to make a really decent living. Ever since the railroad companies, or most of them in this country, began to show, relatively speaking, fair earnings, and before that time for that matter, envious groups in the population have been casting greedy eyes upon the still rather meager but improved net income of these concerns. The farmers of the Nation, or at least their professed representatives in Washington, have never ceased to cry out for lower charges notwithstanding that they already enjoy a decidedly preferential position in this respect. Whether, now that surplus production of agricultural commodities in some cases has begun to press down upon rural districts and the railroads continue to enjoy in larger degree the fruits of their own labors, it will be possible permanently to hold out against their demands is a question that the future alone can tell. Certainly recent dispatches from Washington indicate that it can not be done without a struggle....."

Waterways An editorial in The American Review of Reviews for December says: "We are devoting space in the present number of the Review to several articles that give prominence to this recent progress of the States and communities that lie in the Valley of the Mississippi. A hundred years ago there was enthusiasm over the use of waterways for navigation; but the railroad era changed many things, and led to the virtual abandonment of river navigation. The time has now come when the rivers as well as the railroads can be used to advantage for the movement of commodities. Secretary Hoover is a conspicuous leader in advocating the prompt completion of the river improvements described in our current articles. From Minneapolis and St.Paul to New Orleans there is a fresh realization of the possibilities of river traffic. The same thing is true regarding the many cities and towns on the Ohio, Missouri, and other tributaries of the great river. Flood control, hydroelectric power, water supplies for towns, and sanitation projects are also involved in the plans for better river utilization. A recognized feature of the proposed interior waterway system is the connection between Lake Michigan at Chicago and the Illinois River outlet to the Mississippi."

Section 3
MARKET QUOTATIONS

Farm Products Dec. 7: Chicago livestock quotations. Hogs, top, $12 and bulk of sales $11.50 to $11.95. Beef steers choice, $10.25 to $13, good $9.35 to $12.50, medium $8.25 to $10.35, common $6.50 to $8.50. Heifers, good and choice, $7.25 to $11.75, common and medium $6 to $8.50. Cows, good and choice, $5.65 to $7.50, common and medium $4.50 to $5.65, low cutter and cutter $3.85 to $4.50. Vealers, medium to choice, $10 to $12, heavy calves, medium to choice, $6 to $8.50. Fat lambs, light and handyweight, medium to choice, $11.25 to $13.75, yearling wethers, medium to choice, $8.25 to $10.75, fat ewes, common to choice, $4.50 to $7, feeding lambs, medium to choice, $11 to $12.75. New York wholesale quotations on western dressed, good grade meats: Steer beef $16 to $18, veal $18 to $20, lamb $26 to $27, mutton $14 to $16, light pork loins $27 to $29, heavy loins $23 to $26.

Average price of Middling spot cotton in 10 designated markets advanced 10 points, closing at 11.65¢ per lb. December future contracts on the New York Cotton Exchange advanced 11 points, closing at 12.33¢, and on the New Orleans Cotton Exchange they advanced 7 points, closing at 11.97¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.43-$1.47. No.2 red winter St.Louis $1.40. No.2 hard winter Kansas City $1.40. No.2 yellow corn Kansas City 78 cents. No.3 yellow corn St.Louis 76 cents; Minneapolis 79 cents. No.3 white oats St.Louis 48 cents; Minneapolis 45 cents; Kansas City 46 cents.

Maine sacked Green Mountain potatoes $2.85-$3.15 per 100 pounds in eastern cities; bulk stock $2.25 f.o.b. Presque Isle. Northern sacked Round Whites $2-$2.35 carlot sales in Chicago; $2-$2.25 f.o.b. New York Danish type cabbage $30-$35 bulk per ton in leading markets; $20 f.o.b. Rochester. New York and Midwestern yellow onions ranged $1.90-$2.25 sacked per 100 pounds in consuming centers; $1.65-$2.20 f.o.b. New York Rhode Island Greening apples $2.50-$3 per barrel in New York City. Virginia Staymans $2.50. Michigan and Illinois Jonathans $4-$4.50 in Chicago. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXIII, No. 59 Section 1 December 9, 1926.

THE PRESIDENT'S BUDGET MESSAGE

The press to-day reports: "Forecasting a Treasury surplus of $383,079,095 for the fiscal year ending June 30, 1927, President Coolidge, in his annual budget message transmitted to Congress yesterday, indicated his opposition to a general rate revision of the income tax rates for 1926. He suggested instead reduction on the quarterly tax payments due on March 15 and June 15, 1927. The President expressed the opinion that if the surplus was to be used for any purpose other than a reduction of the public debt, it was wisest simply to make a refund or credit to all classes of income taxpayers next year. The estimates of the surplus set the receipts at $4,026,780,688 and expenditures of $3,643,701,593. For the fiscal year ending June 30, 1928, he put the surplus at $200,703,863, with estimated receipts, based on present tax rates, of $3,772,753,077 and expenditures of $3,572,049,214. This drop in receipts in 1928, as compared with 1927, would result, the President argued, from the fact that non-recurrent taxes, including receipt of back taxes, which amounted to no less than $250,000,000 of the Government's income in the present fiscal year, would be cut to less than $50,000,000 in 1928, thus taking $200,000,000 from the prospective income during that year. .....

"The Department of Agriculture receives an increase of $4,851,997, of which $2,500,000 goes to meet the increasing cost of the program of forest road construction. The amount set aside for endowment of agricultural experiment stations, under the Purnell Act, is increased $480,000, of which $10,000 goes to each State. The allotment for eradication of tuberculosis in animals is increased from $4,653,000 to $5,853,000, and there is an increase from $710,000 to $1,000,000 for cooperation with the States in forest fire protection under the Clarke-McNary Act....."

FARM LOAN BORROWERS ORGANIZE

An Associated Press dispatch from Chicago to-day says: "Farmer borrowers from the Federal farm loan banks organized yesterday the National Association of Federal Farm Loan Borrowers to give force to their objections to the present administration of the Federal rural credit system. Carl Vrooman, of Bloomington, Ill., former Assistant Secretary of Agriculture, was elected president: The association protested against making the Farm Loan Board a bureau of the Treasury Department and demanded administration of the entire agricultural credit system 'along lines originally contemplated by Congress,' with its affairs in the hands of the farmer stockholders."

A.F.B.F. CONVENTION

A Chicago dispatch to the press to-day says: "Frank O. Lowden's program for agricultural relief was adopted yesterday at the final session of the American Farm Bureau Federation. West and South got together, the corn and hog raisers uniting with the cotton planters for a descent upon Washington. They will demand from Congress that it makes a national agricultural policy the first business of the present session. They call for a surplus control measure....."

Section 2

Cotton Market

An editorial in The Wall Street Journal for December 8 says: "Another sensation toward the end of last week stirred the cotton market when one of the most reliable of private experts estimated the crop at 19,115,000 bales. The action of the market then suggests that the bottom is near if it has not already been reached. Should the Department of Agriculture confirm this estimate it will mean a supply of about 22,000,000 bales of cotton in the United States. This is so far out of proportion to the world's consumption capacity as to discourage hopes of any considerable advance in the near future. It is not certain also that the full weight of the market movement has been felt yet. There is the likelihood of much cotton being offered in the next two or three weeks. These are strong points against the market. But on the other hand there has been a strong resistance to price declines. The first shock of this big estimate drove prices down, but the market's vitality was shown in its subsequent rally. Somebody evidently thinks cotton is a good investment, buying on any decline. This resistance to the weight of an estimate 4,000,000 bales larger than the official report as of September 1 indicates that a downward movement could not go far. This seems to be the feeling of dealers in cotton at home and abroad, but more particularly the foreign takers. Exports for the week ending December 3 were 498,067 bales, compared with 376,697 a year ago. Also there were about 100,000 more bales on shipboard awaiting clearance than a year ago. The total exported since August 1 is 4,302,877 bales, compared with 3,805,402 in 1925. Evidently foreign dealers look upon cotton as a good purchase. This same rate of increase through the season would mean 10,000,000 bales exported....These are encouraging facts, yet they do not fully meet the situation. There is still too much cotton. The future of price advances must be dependent upon the amount actually picked, and upon the grade. There is doubt that all this crop will be picked; there is the certainty that it will not grade according to average; holders of white cotton seem to be diffident about marketing it. On the whole, it would seem as if middling cotton should be worth more than present prices before another crop is gathered."

Game Bird Conservation

Means to combat the mortality among game birds by creating favorable breeding grounds and "covers," controling the number of predatory animals and birds, preventing forest fires, and thorough restrictive legislation were discussed December 7 by leading game authorities at the final session of the annual conference of the American Game Protective Association at New York. Resolutions were unanimously adopted urging the immediate passage of the game refuge and McNary-Woodruff bills, now pending in Congress. Dr. E.W.Nelson, Chief of the United States Bureau of Biological Survey, told the 200 delegates that the migratory bird problem was one of Nation-wide significance that could not be handled by individual States. Drainage and irrigation west of the Mississippi, he said, had caused the disappearance of large numbers of lakes and ponds, which must be artificially replaced in other sections to provide covers for wild game. The presence of concentrated alkali, as a result of such drainage, had poisoned millions of game birds, he declared. Immediate passage of the game refuge bill was urged by William C. Adams, director of the Division of Fisheries and Game of Massachusetts.

Shirley W. Allen of the American Forestry Association spoke on the necessity for forest conservation to provide shelter and food for wild life; Dr. A.K.Fisher of the United States Bureau of Biological Survey, advocated the full control, though not the extermination, of all the natural enemies of game. (Press, Dec. 8.)

Lancashire and American Cotton

Frederick W. Tattersall writes to The Nation and Atheneum (London) for November 27 as follows:"....I must hold to my statement that for Mr. Keynes to say that Lancashire if she worked full time could consume 1,500,000 more bales of American cotton this year than last is most extravagant. Since 1913 Lancashire has consumed many more bales of outside growths. By the way, Mr. Keynes in his note introduces the phrase 'similar cottons'. This is avoiding the issue, the point being American cotton. Apart from the reduction in working hours from 55½ to 48, time is now allowed each week for cleaning machinery, and it is altogether unreasonable to anticipate that because Great Britain consumed 3,667,000 American bales in 1912-13, and only 2,093,000 bales in 1925-26 that she could on full time absorb the same amount as in 1912-13. Although I anticipate a trade improvement this season, Mr. Keynes may be interested to know that in my estimate of American cotton consumption for the current season just issued privately, I put down the amount for Great Britain at 2,300,000 bales, an increase on last year of only 307,000 bales." (Excerpts from John M. Keynes's article on the position of the Lancashire cotton trade were published in Daily Digest for Nov. 24.)

Livestock Rates

The press of December 8 states that substantial reductions in freight rates on livestock moving into a considerable portion of southern territory were ordered December 7 by the Interstate Commerce Commission. Rates from the principal western cattle markets to Atlanta and Moultrie, Ga., were held unreasonable, and the charges from Chicago to Birmingham, Ala.; Jacksonville, Fla., and Chattanooga, Knoxville and Nashville, Tenn., were described as too high. New schedules will go into effect on Jan. 20, by which the charges from western stock yards to the cities named shall be 47 cents per hundred pounds for distances of 420 miles, 62 cents for 900 miles and 68 cents for 1,200 miles, with amounts for intervening distances in proportion. The new rates will be a reduction of from 5 to 15 per cent.

Master Farmer Equipment

L.L. Rummell, in writing of the "Master Farmers" who were recently awarded medals by the Ohio Farmer, says in the December 4 issue of that journal: "Ohio's Master Farmers are up-to-date farmers. They believe in labor-saving equipment on the farm and in the home. Tractors are found on 16 of the 20 farms, and they are used in a legion of operations, both in the field and for belt work. Plowing and fitting ground, of course, is their main use, especially valuable during the rush season of the spring. Most of them are light tractors, with just a few as large as 15-30 H.P. Some of these have been in operation for eight years, as on the farms of L.P.Bailey and A.C.Ramseyer. Besides being used in field operations we find these tractors (18 of them on 14 farms) in use for every conceivable operation in belt work. There are 32 silos on these farms, although only 14 have silos, but many of these are filled by the farm's own power, in fact, 10 of the 14 cattle feeders and dairymen fill silo with their own power. Some of these silos have been filled more than 30 times, as

on the farms of L.P.Bailey and William Erf. Six of the men use their tractors to grind feed. Six of them use these tractors for threshing, using their own threshing rig or one owned in a community threshing ring. Among the minor uses, six of the 20 Master Farmers reported using their tractors for harvesting, either operating the grain binder or the corn binder, and a few use the tractor for both. Some load hay, shell corn, bale hay, saw wood, husk and shred corn, and the like with their tractors. Besides having 18 tractors on these farms we find that 13 of our Master Farmers have additional gas engines, owning 24 of these stationary engines. Seventeen have trucks, owning 23 in all, for delivery of farm produce to market. Electricity likewise plays an important role in the lives of the families of our Master Farmers. Sixteen of the 20 have electricity, six getting their current from a high tension line and the others from a farm light plant. The use of electricity was particularly noticeable among all the 138 farmers nominated in this contest. Many of these men have had electric current for 15 to 20 years...."

Meat Packing Industry — The meat packing industry is now "emerging from seven lean years of post-war adjustment" and has in prospect for this year an output about equal to that of last year and probably slightly larger, the Institute of American Meat Packers concludes, as reported in The Index of the New York Trust Company. Producers of livestock up to Oct. 31 last have received approximately $50,000,000 more than in the like period of last year and about $250,000,000 more than in the first ten months of 1924. (Press, Dec. 8.)

Postal Rate Revision Asked — A demand for the revision of existing postal rates was filed to-day with the Congressional joint subcommittee on postal rates, the Postmaster General and the Director of the Budget, by John W.O'Leary, president of the Chamber of Commerce of the United States. "The Chamber of Commerce of the United States," says Mr. O'Leary, "believes that definite action should be taken on postal rates in the present session of Congress. Experience has proven the present rates in many respects to be uneconomic and unsatisfactory. The National Chamber has already pointed out that the increased rates are generally too high and that their correction is urgently needed in the public interest...."

Tax Legislation — Representative Martin B. Madden, chairman of the House appropriations committee, in an interview with Theodore M. Knappen in the Magazine of Wall Street for December 4, says: "There is nothing sensational in the prospect for the short session of the Sixty-ninth Congress. I do not expect that Congress will enact any legislation that will profoundly affect business, nor will any omission on its part operate to the same end. The most novel possibility is action on the President's interesting proposal that some of the Treasury surplus be returned to the taxpayers, whether by way of cash rebate or credit. However, this is not a formal official proposal as yet....I favor such a reduction but do not consider it feasible at the approaching short session. Once the taxation question is opened we inevitably will be confronted by a general revision. That tedious task is manifestly impossilbe in the few weeks at our command; and not desirable pending a general examination of Federal taxation which has been entrusted to a joint committee. The big business before this session is the passage of the regular appropriation bills. If they are passed there will be

no extra session of Congress and such a session is to be avoided by all means. The House appropriation committee will have the Post Office and Treasury bills, the two largest of the supply measures, ready when the House meets; and those for the Navy, Agriculture and Interior will soon follow. All will be ready by Christmas, and the House should pass them by January 20."

Section 3

MARKET QUOTATIONS

Farm Products

Dec. 8: Livestock quotations at Chicago: Top price of hogs today at $11.80 and bulk of sales at $11.40 to $11.65.

New York sacked Round White potatoes at $2.50-$2.85 per 100 pounds in a few eastern markets; $2.35-$2.40 f.o.b. Rochester. Northern sacked Round Whites $2-$2.35 carlot sales in Chicago; $2.05 f.o.b. Minnesota points. New York and Midwestern yellow onions $1.90-$2.25 sacked per 100 pounds in leading markets, top of $2.50-$2.75 in New York City. New York Danish type cabbage $30-$38 bulk per ton in leading markets. Eastern York apples ranged $2.25-$2.75 per barrel in eastern markets. New York Rhode Island Greenings $3-$3.50 in New York City. Michigan and Ill. Jonathans $4-$4.50 in Chicago.

Average price of Middling spot cotton in 10 designated markets declined 5 points, closing at 11.60¢ per lb. December future contracts on the New York Cotton Exchange declined 8 points, closing at 12.25¢, and on the New Orleans Cotton Exchange they declined 2 points, closing at 11.95¢.

Closing prices on 92 score butter: New York 55¢; Chicago 51½-52¢; Philadelphia 56¢; Boston 54¢.

Closing prices at Wisconsin primary cheese markets: Single Daisies 24¾¢; Longhorns 25½¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.43-$1.47. No.2 red winter St.Louis $1.40. No.2 hard winter Chicago $1.45; St.Louis $1.43. No.2 yellow corn Chicago 78¢. No.3 yellow corn Chicago 77¢; Minneapolis 79¢; St.Louis 78½¢. No.3 white oats Chicago 44¢; Minneapolis 45¢; St.Louis 46-47¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Dec. 8,	Dec. 7,	Dec. 8, 1925
20 Industrials	158.35	158.86	153.84
20 R.R. stocks	117.71	117.73	108.96

(Wall St. Jour., Dec. 9.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIII, No. 60 Section 1 December 10, 1926.

TARIFF AND THE SOUTH

The press to-day reports: "Senator George of Georgia declared yesterday that the doctrine of free trade had been abandoned by the South, which now demanded protection for its agricultural and industrial products, a statement which created much comment among those who have considered the South an enemy of the protective tariff...."

COTTON USE DEVELOPMENT URGED

Under the terms of a resolution introduced yesterday by Senator Harris of Georgia, the Secretary of Commerce would be directed to investigate and report on the development of new uses for cotton and cotton products, according to the press to-day.

SUPERHIGHWAY ADVOCATED

Construction of a Federal superhighway from coast to coast was proposed in a bill yesterday by Senator du Pont. A Federal corporation would acquire a right-of-way 500 feet wide, with authority to lease the unused portion in such a way as to pay eventually the cost and upkeep of the highway. There would be a two-way road for fast passenger travel, and another for heavy freight, with tourist camps along the way. Big cities would be avoided. (Press, Dec. 10.)

TENNESSEE BANK CLOSED

A Somerville, Tenn., dispatch to the press to-day states that the Fayette County Bank of Somerville closed its doors yesterday and placed its affairs in the hands of State Bank examiners. W.T.Loggins is President of the bank, which was capitalized at $50,000. Deposits were said to be about $500,000. "Frozen loans" were said to be the reason for the bank's closing.

FIRESTONE'S RUBBER PROJECT

A dispatch from Akron, Ohio, to the press to-day reports: "Ratification by the Congress of Liberia December 8 of the Firestone Tire and Rubber Company's Liberian rubber plantation project was announced yesterday by officials of the company....Under the terms of the tentative agreement with the Liberian Government, made a year ago, Harvey Firestone, President of the Rubber Company, obtains a ninety-nine-year lease on 1,000,000 acres of land most suitable for crude rubber production and upon 200,000 acres planted sixteen years ago and now in full production. The cost of reclaiming the African jungle will be a minimum of $100 an acre, or $100,000,000, Mr. Firestone estimates. To operate the development will require the services of 350,000 native laborers who should be able to make the 1,000,000 acres produce approximately 200,000 tons of rubber annually....."

COTTON MARKET

The press to-day reports that failure of the New York cotton market yesterday to maintain recoveries following Wednesday's Government report caused liquidation on all three exchanges during early trading yesterday.

Section 2

Bank Savings — A billion-and-a-half dollar increase in America's savings in banks in a year, a growth of nearly three million in number of depositors and a new high per capita savings rate for the Nation of $211 are disclosed in the annual compilation of the savings bank division of the American Bankers Association. The figures, made public at New York to-day by W. Espey Albig, in charge of the division, show that on June 30 this year there were for all classes of banks in the United States 46,762,240 savings depositors and $24,696,192,000 in savings deposits. The same date last year there were 43,850,127 depositors and $23,134,052,000 savings deposits.

Boys and Girls Clubs — An editorial in The Ohio Stockman and Farmer for December 11 says: "Last week at Chicago we saw about 1,200 wholesome country boys and girls, club members who had earned a trip to the International Livestock Exposition. Some of them were exhibitors in the open classes as well as in their own classes, and successful exhibitors too. About the same number of club members earned a trip to the American Royal Show at Kansas City last month. This week the boys and girls, club members of Ohio, Indiana and Michigan, are showing all the cattle at the Junior Livestock Show at Cleveland, with about 250 animals in competition. At the National Dairy Exposition, at many State fairs and winter shows, the boys and girls show livestock, farm products and home products. All of which is a sign of promise to American agriculture, for these boys and girls represent over 600,000 others engaged in some kind of work. No industry is decadent which can produce that many wide-awake junior contestants in its events, or which can provide the means of interesting as well as instructing them."

Egyptians Limit Cotton — A Cairo dispatch to the press of December 9 states that the Egyptian Chamber of Deputies December 8 by a large majority passed the law limiting the cotton acreage for the three years 1927-28-29 to a third of every plantation.

Game Conservation — An editorial in The New York Times for December 6 says: "To one of the Government officials, whose life work has been devoted to conservation of game, is attributed the statement that the National Game Conference....has advanced the cause of conservation by fifteen to twenty years. At this gathering come men representing Federal, State and private conservation interests--foresters and scientists as well as sportsmen--to discuss problems of game preservation and to help coordinate the overlapping activities in behalf of conservation throughout the country....The new attitude toward conservation has as its ultimate aim insuring, on the one hand, an increasing supply of game by providing adequate refuges and feeding grounds and by encouraging game breeding, and, on the other, so restricting hunting that the annual loss of game, which by gun, disease or vermin, shall not exceed the annual increase. If ever this policy is to be effectively carried out, it will require sufficient flexibility on the part of the authorities to curtail even more strictly than is now possible the hunting of game which, for any reason, is becoming limited in supply. Conversely, when the supply of game becomes excessive, hunting privileges may be enlarged until the balance has been restored....."

German Potash Loan — The New York Times of December 9 states that plans to float a German potash loan in New York will be revived soon, according to reports in Wall Street.

Marketing in Britain — In a review of "The Marketing of Farm Produce--Livestock," by F.J.Prewett (Clarendon Press) The Irish Statesman for Nov. 27 says: "It is generally agreed that the question of marketing is the dominant factor in the agricultural problem to-day; the farmer's task is not to make two blades of grass grow where one grew before, but to secure a fair price for whatever number of blades he produces. The Linlithgow Commission recommended that the Ministry of Agriculture should provide information and instruction in marketing for English farmers, but this recommendation was not adopted by the British Government. Thanks, however, to a generous donation from Sir Horace Plunkett, the Agricultural Economics Research Institute at Oxford has been enabled to set on foot work on the lines recommended, and the institute has been fortunate in securing the services of F.J.Prewett, who is a practical farmer of many years' experience in Canada and England. The present monograph embodies the result of Mr. Prewett's study of the existing methods of marketing livestock, together with his proposals for the improvement of the farmers' time-honored, but antiquated practice. Of course the essence of the agricultural problem is the reduction of the 'spread' between producer and consumer. The total abolition of the dealer and middleman is neither possible nor desirable, as both these classes perform useful functions. The best way in which the farmer can aid in the reduction of distribution costs is by standardizing his output, and by spacing-out production of each commodity as equally as possible over the year, so as to avoid sudden fluctuations of price caused by variations of supply....Mr. Prewett is a convinced believer in the future of agricultural cooperation, which, he predicts, will triumph over all the formidable obstacles in its path...."

New Orleans Exports — New Orleans is the subject of an extensive article by John S. Kendall in The American Review of Reviews for December. In this Mr. Kendall says: "Cotton and sugar are to-day, as always, the two principal items of export from New Orleans; but lumber, oil, rice and other grains, iron and steel, foodstuffs, cooperage, soap, tobacco, and paraffine are also extremely important items. The exports of cotton are fairly constant year after year. In 1911, for example, the total exported was 1,517,277 bales. In 1925 the total was 1,677,851 bales. Both the imports and the exports of sugar are important, amounting in 1925, respectively, to 1,388,954,833 pounds and 117,760,524 pounds.... It may be of interest ot summarize very briefly the other principal exports. During 1925, for instance, 16,127,404 bushels of wheat left New Orleans, accompanied by 2,111,802 barrels of wheat flour. Of cotton-seed oil cake and cake-meal over 147,000,000 pounds were exported during the same period. The exports of tobacco amounted to 108,090,061 pounds. New Orleans shipped out 116,644 barrels of rosin. The exports of lumber were, naturally, very large, aggregating no less than 286,720,000,000 board feet, not counting logs and timber, railroad ties, piling, veneers, and other miscellaneous products of the same general character."

Synthetic Products

"Are We At the Threshold of a Synthetic Age?" is the title of of an article by Hugh Farrell in The Magazine of Wall Street for December 4. He says in part: "As I understand the question asked by the title of this article, it is directed at the possibility that we might be entering upon an age in which everything that we use will be produced synthetically. To that reading of the question the answer, in my opinion, should be: No, we are not at the threshold of a synthetic age! I even doubt that, so far as our civilization is concerned, we shall ever approach it. I do not mean that it would be impossible for us to produce all our needs through synthesis, I mean that it will probably never be necessary to resort to synthesis for everything we need....It is possible and, unless the world becomes much more altruistic than I have any hope for, it is even probable that we may be forced to fall back on synthesis for some products which we do not command in their natural state long before, in a well regulated world economy, it would otherwise be necessary for us to take the step. Control of such products by foreign monopolies might very easily force us to seek their production through synthesis, but even in these cases it is probable that we will find the solution of our problems in the development of substitutes or in the discovery of new sources of supply. For example, in the case of rubber we are much more likely to find a new source in the guayule plan than we are to resort to the synthetic production of rubber, notwithstanding that the synthesis of rubber has already largely been perfected. Or, in seeking independence in sugar supplies we shall very probably find the source of it in home grown corn and artichokes. It is probable, indeed it is quite certain, that many of the things that the chemists accomplish are as much mysteries to them as they are to the average laymen."

Waterways.

An editorial in The Wall Street Journal for December 9 says: "Now that the army engineers of the River and Harbor Board have formally reported, preferring the St.Lawrence waterway to an 'all-American' route across New York State, it may safely be assumed that Congressional action on any of the several plans to bring the sea to the wheat fields has been indefinitely postponed....On the engineering and military aspects of the choice, General Jadwin's declaration may be tentatively accepted. He disposes of the national defense argument by saying, in effect, that Mr. Dempsey's all-American canal would be so near the border that it might as well be on it. A St. Lawrence canal would have great power possibilities; the New York State route hardly any. The cost of the latter would be around half a billion dollars, while the former, exclusive of power installation, would be around $175,000,000. It is on the economic side that General Jadwin's report, as summarized in the press dispatches, leaves much to be desired. He repeats stock phrases about the primary importance of cheaper transportation for export grain, without making clear whether or not either canal would mean a taxpayer's subsidy to grain movement. Former Governor Osborn of Michigan, himself an engineer, makes the pertinent observation that within a comparatively few years the United States is likely to have no grain surplus to export, though much the larger part of Canada's crops will go abroad for an indefinite time to come. 'Other traffic will eventually be very great,' continues General Jadwin, unconsciously borrowing the same hazy assumption that was used to put over the $200,000,000 barge canal upon the voters of this State. That is the

comparatively useless waterway which Mr. Dempsey is willing to see taken over by the Federal Government. The case calls for far more and better testimony than that on the traffic side. No greater mistake could be made than to believe, merely because we want to, that traffic will go where legislatures tell it to go. Perhaps the most fortunate thing about the report of the army engineers is that it puts Mr. Dempsey and the Mississippi Valley in opposition. Even Mr. Hoover says it will take years of expert investigation before we shall know how best to provide the interior with its own seaports."

Section 3
MARKET QUOTATIONS

Farm Products Dec. 9: Livestock Quotations at Chicago: Top price of hogs at $12 and bulk of sales at $11.50 to $11.90.

New York sacked Round White potatoes $2.65-$2.85 per 100 pounds in a few eastern markets; few $2.35-$2.40 f.o.b. Rochester. Northern Round Whites $2-$2.35 carlot sales in Chicago; $2-$2.05 f.o.b. Eastern York apples $2.25-$2.75 per barrel in eastern markets. Michigan and Illinois Jonathans $4-$4.50 in Chicago. New York and Midwestern yellow onions $1.90-$2.50 sacked per 100 pounds in leading markets; $1.75-$2.25 f.o.b. New York Danish type cabbage $30-$40 bulk per ton in leading markets. F.o.b. sales at Rochester, New York $22-$23.

Grain prices quoted: No.1 dark northern-Minneapolis $1.43-$1.47; No.2 red winter-St.Louis $1.40. No.3 yellow corn-St.Louis 78¢; Minneapolis 78¢. No.3 white oats-St.Louis 47¢; Minneapolis 44¢.

Average price of Middling spot cotton in 10 designated markets declined 4 points, closing at 11.56¢ per lb. December future contracts on the New York Cotton Exchange declined 3 points, closing at 12.22¢, and on the New Orleans Cotton Exchange they declined 5 points, closing at 11.90¢.

Closing prices of 92 score butter: New York 55½¢; Chicago 52½¢; Philadelphia 56½¢; Boston 54¢.

Closing prices at Wisconsin primary cheese markets Dec. 8th: Single Daisies 24¾¢; Longhorns 25½¢; Square Prints 26½¢. (Prepared by Bu. of Agr. Econ.)

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